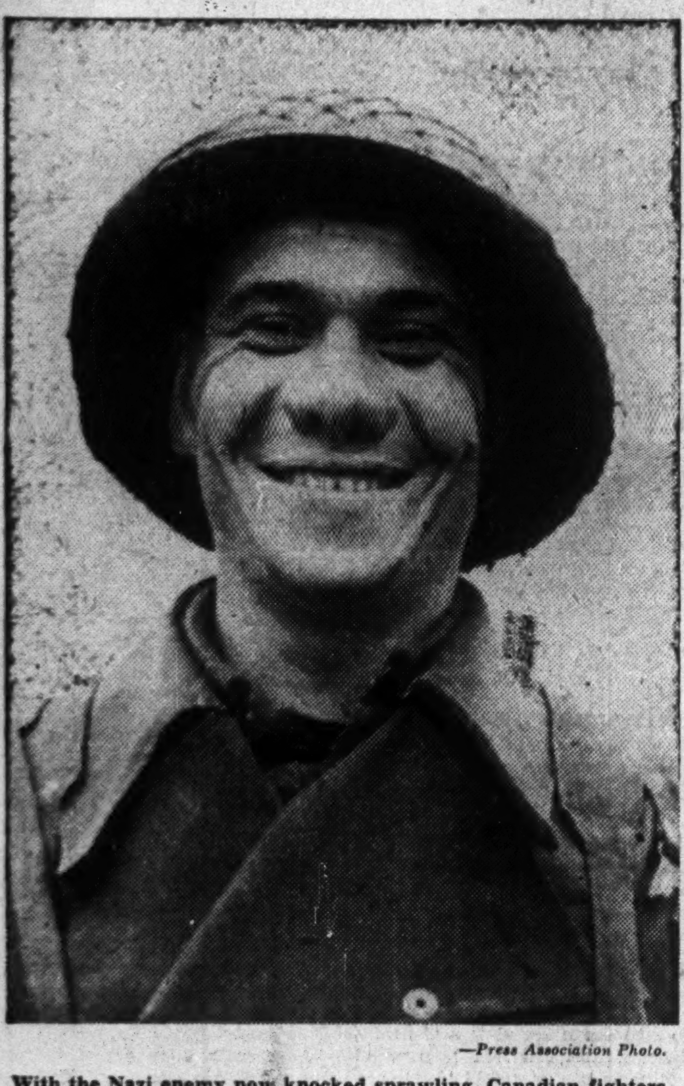
The Man of the Week



—Press Association Photo.

With the Nazi enemy now knocked sprawling, Canadian fighters have earned the right to grin. But for them, and for their brothers who went to Hong Kong, this is no time for a let-up.

The Financial Post

The Canadian Newspaper for Businessmen and Investors

INVEST IN THE BEST

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THE NATION'S BUSINESS

Real Battle Goals Not Yet Achieved

The noise of celebration at complete victory in Europe will be followed with the silence of meditation. Never has civilized man faced his future with deeper concern; graver determination. As in the superb Shoemaker cartoon of this week, the living generation well knows it has two strikes on it already, World War I and World War II. Before us now we too well know the choice is Strike III—and out; or getting to first base—on world security plans.

So if the pause in tribute to those who won for us this victory over Germany—and to those who died doing it—is very brief and deeply preoccupied, it will be no derogation of their triumph nor of their sacrifice.

To complete and make good the victory so dearly won, here are the jobs that Nazi defeat will put right up to us:

1. Air and naval blockade of Japan in the months right ahead is the best information regarding plans, with invasion of Japan itself probably within a year. The idea that Japan may give up promptly is reportedly getting less and less attention among the insiders. Well into 1946, if not longer, is the present forecast for finishing the Japs.

2. Vast demands will be made on our food, drug, clothing and some machinery supply for liberated and occupied Europe. Very substantial demands will be made too on our executive, administrative, medical and other talent for Europe.

Chaos, starvation, pestilence, collapse of law and order, the breakdown of all the political, economic and social machinery on which civilized society depends (and which we in fortunate Canada just take for granted) are fresh horrors hanging over western Europe. At the same time, they hang poisonously, also, over our chances for world peace and prosperity.

Grim self-interest and the instinct of self-preservation show that fixing up the bones, lending blood and spirit to the recreation of Europe, is an immense task now definitely upon us.

3. The job of achieving a firm framework on which to build future world security is another matter that will make V-E Day thoughts grave. Past failures stand stark and menacing in our minds.

Celebrations may well be moderated until the Big Three achieve at least the promise of better harmony. Churchill and Truman are standing tightly together in trying to get Stalin to live up to previous positive commitments; trying to limit his aspirations in Poland, the Balkans, Germany and at the Dardanelles. Particularly Stalin's failure to live up to the agreement made at Yalta on the Polish government question has reduced Big Three relations to a showdown state of extreme gravity.

4. At home in Canada V-E Day brings us actually up against the long-talked, difficult job of industrial reconversion. How much war contract cancellation will be upon us immediately is unknown, even by top Ottawa officials, but some is certain. As war material suppliers chiefly to Britain, the decision very largely rests there.

Currently about 70% of our war supply production is for Britain, about 10% for the U. S., about 20% for ourselves. As reported elsewhere on this page, Washington is now under way with a major overhaul of almost its entire war supply program.

No matter how slow or how fast, no matter how skilfully and with what wisdom industrial reconversion is managed, there will certainly be some confusion, some delay, some hardship. Management and labor leaders have a difficult, critical job that requires the maximum of good sense, understanding and well-thought-out policies.

During that period, whenever and wherever pockets of unemployed appear, the cry will be raised that "free enterprise has failed to produce full employment" and the totalitarians among us will promise anything and everything utopian.

This cry for perfection will rise rapidly with the end of war in Europe. Our dangers include not only the socialist utopians but also those utopians who want to outrace the socialists to utopia.

What has to be understood is that victory in Europe and Canada's part in it are the result of no magic—of economics or of politics or of anything else. It results simply from harnessing and concentrating the forces inherent in our nation.

As a nation we are poorer today in men and resources than we were in 1939. War has shown us what we can do in mobilizing our national might, but it has also shown us at what cost in freedoms restricted, in burdens carried, in opportunity closed.

Yes, meditation on and preoccupation with tomorrow's job is inevitable and fitting celebration for V-E Day. We have been fighting **a war against** the things we don't want—slavery and barbarism. We have won part of that **war against.**

But we have now upon us the **war for** the things we do want—freedom and peace and individual dignity. Those are things our men have really been fighting for. That bigger, more important battle is yet to be won.

War Orders Here Await U.K. Plans

U. S. War Orders for Europe End But Main Canadian Contracts Depend on Britain; Nazi Disintegration Transforms War Order Picture

By K. R. WILSON

OTTAWA—The sudden and unexpected decision of U. S. authorities to halt completely the flow of war procurement to Europe as of April 30 is the most important industrial news of the week.

Actually, this will affect Canada relatively little, directly, because Canada's procurement situation is tied chiefly with British plans, rather than to the plans of Washington. And as yet there is no official indication here of Britain's next move. Cut-off date for Britain's European procurement has up to now been set at June 30.

But the whole procurement situation has been thrown into confusion by the rapid disintegration of German resistance. Official proclamation of V-E day which General Eisenhower was to have announced on May 30 has now been advanced by weeks.

Only very recently, procurement planning at Washington, for European needs, was geared to a Sept. 30 cut-off date. This is the "target" which has now been yanked back a full five months. The U. S. cut-off decision meant, in effect, that Stage II of the war, for procurement purposes, began officially on the morning of May 1.

The reason for the greater importance to Canada of British planning is currently about 70% of all Canadian war production is going to Britain. Until recently, the proportion of Canadian war production going to the United States was around 13%, but cutbacks and cancellations in recent weeks have reduced this now to about 10%. Thus the change in program in the U. S. is of only small importance, relatively, to Canada, except in its effect on the release of critical materials for civilian needs and on the ordering of Canadian raw materials for U. S. consumption.

U. S. Reductions Faster and Sharper

This sudden change in the Washington time table is taken as the reason behind announcements from that city last week, that substantial reductions in war output would be made within the next 30 to 60 days. These reductions, as at last week were slated to be 10 to 15%. With the new decision of an April 30 cut-off, they may be both faster and sharper.

(It must be remembered that the decision to close off the European pipe-line does not mean that all contracts for supplies to the European front are automatically cancelled. What it does mean is that every European contract is now open to revision, or termination, depending on the extent to which the item in question is suited or required for the Pacific war.)

Even before the sudden decision of this week, the termination of a number of long-range U. S. programs for tanks, ammunition, and other items had caused important changes in Canadian war production and planning. These changes have been of two kinds. There have been cutbacks in orders for certain types of ammunition now in production. There have been outright cancellations of programs which would not have come into production until the last quarter of 1945.

The most important recent cancellation from the U. S. has been the wiping out of an order for new tanks which was placed here after the Ardennes bulge and which was scheduled to go into production towards the end of this year.

Canada has still been working on another U. S. order for tank reconversion but this is so far unchanged.

Cutback Ammunition Order

Another important U. S. cutback has been in the program for manufacturing .300 ammunition. This order for U. S.-type ammunition (Canadian and British troops use .303 bullets) was the first of its kind to be placed in Canada. It involved very extensive tooling and the importation of a considerable amount of U. S. machinery. Though it has not as yet been entirely cancelled, it has been cut back by about one third.

On the other hand, important new

(Continued on page 2, col. 6)

U. S. Farm Tool Cutback Removed

OTTAWA (Staff) — The farm machinery situation demonstrates, better than anything else, the confusion and acceleration in V-E Day planning that has been going on in Washington in recent weeks and months.

Early in March, Washington planners announced a 50% cutback in production schedules on farm machinery for the production year 1945-46.

Shortly afterwards this was changed to 25%.

Later it was revised to 27½%.

Last Wednesday it was slashed to 5%.

By Saturday the reduction was wiped out entirely and the 1945-46 order returned to 100%, with no cutback for the coming year.

And with the coming of V-E Day, the order, as it now stands, is to be wiped out entirely and farm machinery restored to the "free" list.

Nonwar Radio Production Ban Soon To Vanish

But Tube Scarcity is Still Bottleneck — U. S. Output Critical Factor

OTTAWA (Staff)—Although production of radios for civilian use in Canada should begin shortly, the real bottleneck will be our ability to produce sufficient tubes to complete these sets.

At present there are no further orders for war production in this field in sight. War production in Canadian radio plants has been tapering off since January. Even without the termination of the European war this production will drop to about 50% in midsummer. By the year-end it will have disappeared entirely.

It is expected therefore that in the near future the ban on production of civilian radios in Canada will be removed.

But this does not mean that new civilian radios will shortly be available. Even though Canadian manu-

(Continued on page 2, col. 3)

No New Ford Cars Expected For 1945

Resumption of passenger car production is not likely this year, Wallace R. Campbell, president of Ford Motor Co. of Canada told shareholders at the annual meeting recentlty.

"The major activity of the company during the current year, on the basis of present indicated Government demands, is likely to be the continued production of military transport vehicles, though in reduced numbers, supplemented by increasing production of trucks for civilian use, and continued output of service parts," Mr. Campbell said.

In referring to the difficulty of predicting the return to passenger car production, it was pointed out that such reconversion cannot be expected before the authorization of similar action in the interlocking industries of the United States.

Soviet, Though Outvoted Victor in Frisco Battle

Russians Got What They Counted On — Seats For White Russia, Ukraine; Didn't Expect a Place for Warsaw Government

By BLAIR FRASER
Ottawa Editor, Maclean's Magazine

SAN FRANCISCO—According to the votes, Russia was beaten 28-7 and 31-4. According to the headlines, "Molotov fails in bid to bar Argentina." But in fact, as the smoke clears away from the diplomatic skirmishes of the past week, the Soviet Union emerges as the principal victor.

What the Russians really wanted, they got—acceptance and immediate seating of the White Russian Republic and the Republic of the Ukraine. What they lost—a seat for the Warsaw Government they knew they had no hope of getting. As for their "defeat" on the Argentine issue, all they did was force the United States and secondarily Britain to a public showdown in which the democracies had most of the votes, but in which they had to take the unpopular side so far as world opinion is concerned. There is good reason to believe that the Soviet Union doesn't care two pins whether Argentina is seated or not. But by forcing a showdown, the Russians got themselves outvoted by the Latin American steamroller and the western democracies on the issue of whether or not to offer a seat to the only admittedly Fascist government in the Western Hemisphere.

United States was bound by two pledges, on the various issues that came up this week. On the admission of White Russia and the Ukraine she was bound, as was Britain, by the pledge given to Marshal Stalin at Yalta. On the admission of Argentina she was bound by the pledge at Mexico City, to vote for the invitation if Argentina fulfilled certain conditions including a declaration of war.

Latin America didn't like the first pledge much, nor was its flavor improved by the fact that it had been kept secret for weeks, and was finally smoked out by a reporter's scoop. But because the United States' word was given, the Latin American bloc agreed to accept the two Soviet republics as members of the organization, so this vote was unanimous.

Then the Soviet Union demanded

(Continued on page 2, col. 4)

Retain 1941 Base for Prices As Civilian Goods Return

Consumer Durable Goods Must Return to Market at 1941 Prices, Says Gordon — De-control Will Follow Supply Pattern

By KENNETH R. WILSON

OTTAWA.—Three very important lines of policy will come to the fore in WPTB administration with the end of the European war.

1. Adherence, for the time being, to the 1941 base price policy for consumer durable goods as they come into production.

2. A policy of selective "de-control" of prices where goods again become in abundant supply.

3. The governing principles of "scarcity" rather than a military date such as V-E day, in determining the timing, nature and extent of "de-control."

The base price policy for durable goods was first announced by Chairman Donald Gordon last September. It can now be stated definitely that after a lapse of nearly nine months there is no present disposition to change the views then expressed.

Whether this hard-boiled attitude will have to change in two or three months cannot now be forecast. There are those who think it will be. But certainly reconversion will begin on the very tough assumption that 1941 price levels must be adhered to when new consumer durable goods are once more being produced.

It is felt here that the price stabilization program in Canada currently faces the toughest test in its history. This test will come during the sharp and probably short "transition" period. This is the period when "trickle production" will prevail in most plants reconverting to peacetime output. During this period of continued shortage of materials and goods it is deemed absolutely essential that the price ceiling policy be maintained. To do this, it is argued, there can be no general relaxation in present "base period" pricing formula.

Policy Under Fire

It is admitted that this will mean hardship and loss to firms lacking war orders to offset higher production costs. But only in cases of extreme urgency will the board (in its present frame of mind) be prepared to give relief through higher consumer selling prices.

Perhaps the board may change its mind in two or three months time. Perhaps a new government, after June 11 might change its mind for it. But at the moment, the September price policy as laid down by Mr. Gordon for reconversion to civilian production, still remains. This despite the fact that many manufacturers have been to Ottawa in the meantime, to plead their case for higher costs and have sought to get some promise of relief.

At any time, and at any stage in the reconversion process, WPTB officials state their willingness to discuss group or individual reconversion pricing problems with manufacturers. But so far, there is no sign of yielding.

Gradual De-control

The second point, selective decontrol of prices, covers entirely new ground.

Although no official statement on this point has yet been made, The Financial Post is informed that consideration is now being given to gradual "de-control" of prices, if, as and when, supply conditions warrant.

Such gradual relaxation of price control would be quite contrary to the plan and program in Sept., 1941, when the overall ceiling was established. At that time, the decision was made to impose price control completely across the board.

What is of very great importance

(Continued on page 2, col. 7)

Quebec Tax On Luxuries, Beer May Hit Snags

Brewers Want Ottawa to Approve Addition of Gallonage Tax to Price

OTTAWA (Staff)—Federal officials see headaches galore if Quebec province does actually proceed with its new proposed 6% tax on "luxury" items, and its new beer tax.

One important problem was recognized in the provincial legislature this week when an undisclosed amendment was proposed to shield points like Hull from the cross-river trafficking which would be rampant if a whole host of items from radios to women's apparel were obtainable in, say, Ottawa for 6% less than in Hull.

One little-publicized feature of the new Quebec tax proposals is the proposition to put a further gallonage tax on beer.

Undercover Battle

Reports reaching here are to the effect that the Quebec Government told brewers in that province that the beer tax had gone into effect as of April 6 and that they (the brewers) were supposed to absorb it. (Actually the order-in-council was passed in Quebec on April 18, but retroactive to April 6.)

The brewers said "nothing doing" or words to that effect and sought permission from Ottawa to add the tax to the present ceiling price of beer. Ottawa hedged a bit and sought from Quebec an actual copy of the order to prove that the new tax had actually been imposed.

Meanwhile, a completely new complication arose, namely Section 6, (0) of the federal Income Tax Act. This section disallows, as a proper deduction from income, any tax, license fee or levy exacted or increased after June 24, 1940.

Unless the Minister of National Revenue uses his discretion and waives this clause (as now seems unlikely), the brewers cannot charge this tax back into their expenses. On the other hand, Premier Duplessis is loath to have this new tax passed on to the consumer. (The new tax is 9 cents a gallon and raises the total gallonage tax on beer to 14½ cents.)

It is obvious that its imposition at this time in place of the general sales tax would be highly unpopular in Quebec.

"About 4c a Mile" Is New Airline Rate

Following up a 6½% reduction in rates last March with a further 5% cut, American Airlines rates beginning May 1 are now down to "about 4c. a mile," the company states. The 5% cut applies to both one-way and round-trip travel to any point. The air line points out that air travel costs now meet, and in some cases better, the costs of train travel where Pullman reservations are taken into account.

The reductions have been made possible, states American Airlines, "because of the development of many new operating methods and improved maintenance procedures, which have resulted in greater efficiencies and higher utilization of available airplanes. Although American has only 73 Flagships in service at the moment as compared to a pre-war total of 85, its commercial mileage in 1944 exceeded the peak of 1941."

Inside News

One Third Tax Cut is the best deal business and individual taxpayers can hope for if postwar federal spending stays around the $2 billions level. That it will, appears to be assumed. These are striking implications of the Government's recent White Paper on Employment and Income. (p.7.)

Mining Headlines are in the making on the Porcupine-Beattie "break" which extends through the northerly sector of the Rouyn area. Claim-staking in this area recently has been heavy and now covers virtually all of the indicated break. (p.22.)

Gold Mining is being curbed by today's high taxes, Kirkland and Larder producers complain. Present heavy taxation, it's claimed, prevents "gambling" on opening of large-tonnage-low-grade ore bodies already indicated. It reduces incentive to search out new bodies outside the immediate workings. (p.23.)

Tax Exemption clause 4p in the Income Tax Act should be retained but it should include not only the co-ops but also dividends of joint stock companies facing stiff competition from co-ops. This novel "compromise" plan put before the McDougall co-op tax probe by United Grain Growers Ltd. (p. 17.)

U. S. Cutbacks already amount to approximately 14% as the War Production Board shifts output to peacetime work in anticipation of V-E Day. Chairman Krug expects one third of the production controls to be lifted within the next four months. (p. 3.)

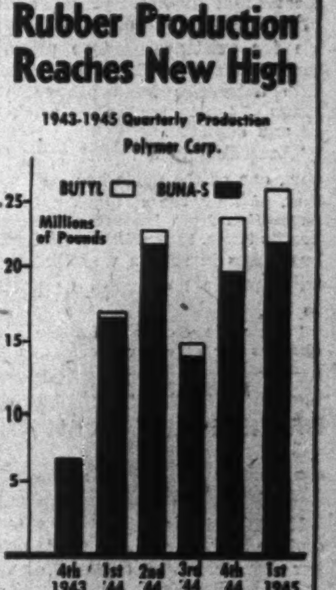
Inflation Control in the United States is facing its strongest opposition from Congress and public, with even President Truman threatening to upset OPA with his promise of coming tax reductions. (p. 13.)

Tariff Reduction bill before the U. S. Congress is facing a stiff battle, but is expected to pass virtually in its original form, supported by Wallace's contentions that U. S. labor is 50% more productive than that of Canada, which ranks second in the Secretary of Commerce's ranking of output per manhour. (p. 3.)

Seeding for Wheat in the West falls behind because of wet weather over wide areas. A larger program for oats and barley may result. (p. 17.)

San Francisco has brought forth 60 to 70 proposals for altering the Dumbarton Oaks agreement, says Blair Fraser. (p. 13.) But many of the changes were anticipated, and there is a large body of agreement on many of the others.

Pace of Business



Production of synthetic rubber in Canada at Sarnia by Polymer Corp. for the first quarter of 1945 was higher than in any previous three-month period. February's production of 8,770,000 lb. was a new monthly high, and was at a rate of approximately 115% of the designed capacity of the plant. An annual production of about 105 million lbs. of synthetic rubber would result from maintenance of February's rate of output for the year. Importance of this appears when it is compared with the 80,992,738 lbs. of crude rubber imported into Canada in 1937.

Line Elevators Present Key Brief in Co-op Probe Say Pool Exemption May Doom Private Operators

By GORDON L. SMITH

OTTAWA—"The Pools and their subsidiaries are liable for payment of taxes in respect to all income and profits derived by them from operations since contract pooling was abandoned 14 years ago."

That was the contention of the North-West Line Elevators Association, in its brief presented to the McDougall Commission on Taxation of Co-operatives in the last of the public hearings this week. The association, whose members own $65 millions of country and terminal elevators, charged that the untaxed wheat pools constitute such a threat to their heavily taxed competitors, that if the present situation is allowed to continue "the line elevator companies generally will ultimately have to sell out to them (the pools) or reorganize in such manner as to avoid taxation."

NWLEA argues that since co-operative marketing or pooling was deliberately dropped in 1931, the pools have been carrying on in almost exactly the same fashion as the private grain trade, buying and selling outright, hedging, operating through the Winnipeg Grain Exchange, and in some cases exporting. Section 4p of the income tax, which exempts genuine co-operatives from income tax, it is argued, does not apply to the wheat pools. The NWLEA brief urges that the McDougall Commission should recommend not only taxing the pools in the same way as ordinary business is taxed, but also the collection of taxes on all the past period in which profits have been made as well.

The elevators association brief estimated unpaid income and excess profits tax of the three pools since 1930 at approximately $21.5 millions, apart from interest and penalties and exclusive of the refundable portion of the tax. For a group of 11 privately owned elevator companies doing approximately the same amount of business as the three pools, actual taxes during that period amounted to $13.4 millions.

This comparison, was sharply challenged by council for the various pools. They argued that in several of those years, notably 1936-37-38, the pools suffered substantial losses and that there was no satisfactory way of compiling a standard profit. On the stand, the NWLEA accountant agreed that there had been losses and an arbitrary yardstick for arriving at standard profits might have to be used. He also agreed that the final figures would depend to some extent upon what sort of a yardstick was devised. But in any case, he declared, the pools total taxation bill would be at least as high as that of the group of private companies. Spokesmen for the pools did not challenge that claim nor the fact that the privately owned elevator companies had contributed huge sums in taxes since 1930, while their own organizations had paid nothing.

The NWLEA brief came out strongly against tax exemption for patronage dividends. It argued that these were simply profits, comparable in every respect to the heavily taxed profits of privately owned companies, and that the pools were under no compulsion to pay them to their members in any case. The brief argued, too, that the tax judgment won by the Saskatchewan Wheat Pool in the Supreme Court in April, 1930, had nothing to do with the present case, as all the pools had abandoned the co-operative method of handling grain after that judgment was handed down.

A spokesman for the elevator companies was queried about the feasibility of collecting all back taxes to 1930, and was asked if that was what the brief really meant. He said it did. The chairman then asked what would be the general result.

"It might deplete their (the pools') resources," said the witness.

"It might also put them out of business," added the chairman.

However, the witness for the elevator companies argued that at least "those that have the money should pay." He added that the NWLEA members had no objection whatever to farmers or anyone else doing business at cost or any other way "so long as there is no discrimination against anyone else."

The NWLEA brief traced the development of the pools from their inception in 1924. It showed that in the first period, when grain was all bought under contract and marketed in pools, some $29 millions had been raised in various deductions as working capital. The bulk of this was lost in the debacle of 1929-31. Since then pooling had been abandoned and straight buying and selling adopted. Parts of the

(Continued on page 2, col. 1)

Belgium Orders Engines Here

MONTREAL (Staff) — Orders for several hundred locomotives have been placed with Canadian companies by the Belgium Government. The orders have been divided between the Canadian Locomotive Works at Kingston, Ont., and the Montreal Locomotive Works in Montreal.

The order placed with Montreal Locomotive is for 160 locomotives of the 2-8-0 type—two small wheels in front, eight driving wheels and no small wheels behind them. Montreal Locomotive for some months has been working on an order for 177 locomotives of somewhat similar type for the Indian State Railways (of which 70 have been completed), and will start on the Belgium order in October, after the India job is completed. Production rate at present is about 30 locomotives a month.

GOLFING SCENE

early summer — '45

The loafer coat, teamed with corduroy slacks, is making its presence felt. Golfers who have tried it approve whole heartedly. They like the "free swinging" fit and the added warmth for unpredictable, early Summer days.

You'll wear it away from the golf club too because it is a "good looking" coat with plenty of style. For your choice, either corduroy and tweed combinations or two-tone polo cloth, see Eaton stores across Canada.

EATON'S

Line Elevators Present Key Brief in Co-op Probe

(Continued from page 1)

profits made had been held back for new working capital, part return in the form of patronage dividends.

In neither case were any income or excess profits taxes paid. The result, especially since the war with its heavier taxation for competitors, constituted a major threat to private enterprise, argued the NWLEA brief, which summed up the outlook as follows:

"It is significant that the trend toward carrying on business in the co-operative form, or what is claimed to be the co-operative form, is rapidly accelerating during a period when the expansion of ordinary private enterprises has been limited and restricted by high taxes and by order-in-council and regulations of wartime administrative bodies. The latest report of the Dominion Bureau of Statistics reveals that the dollar volume of business transacted by co-operatives, whether real or so-called, increased from the huge figure of about $250 millions in 1942 to over $350 millions in 1943—about 40% in one year. This indicates that taxpaying private enterprise is falling behind in the struggle for existence. The primary cause is taxation. Obviously, as private enterprise loses ground, the ranks of the taxpayers are weakened and depleted.

"According to a recent press report, one of the pools has indicated that, if they are not going to get exemption from income and excess profits taxes, they will conduct their businesses in such a way that they will provide no income or profits to tax.

"Their recent reduction of charges for elevator services is indicative of a decision to adopt this course, at least for the time being. It may be that co-operatives have the right to use this method of doing business, although the adoption of such a policy would seem to be unwise and, in time of war, most prejudicial to the public interest.

"A private enterprise, as distinguished from 'co-operative' enterprises, can hope to survive in the face of this type of competition only by using up reserves which should be kept intact and available for the postwar reconstruction period and for legitimate expansion and development. Once such reserves are used up, private enterprises will be unable to continue in business and the co-operatives will have the entire trade to themselves.

"By virtue of paying the taxes they owe, our members are, in effect, providing part of the cost of all the various public services which the pools need and use for the carrying on of their respective businesses and part of the cost of carrying on wars which are as much for the protection and preservation of the pools and their members as they are for the protection and preservation of the other citizens and institutions of Canada.

"In short, as long as the pools do not pay their taxes, all those who do pay are supporting the pools and aiding and assisting them in business. As a result, our members are being required to support and maintain competitors whose policies are designed to eliminate such members from the grain trade."

West. Grocers Business For 1945 Equal to 1944

Trading for 1945 to date for Western Grocers Ltd. exhibits a volume of business and a net profit fully equal to the corresponding period of 1944, W. P. Riley, president, told shareholders at the recent annual meeting. Stocks of merchandise are in reasonable relationship to sales and the company does not anticipate any marked difference in its immediate outlook, Mr. Riley said.

Sales of the subsidiaries in 1944, collectively, showed an increase and there was a slight improvement in the total transferred to surpluses and available for dividends. The net profits of subsidiaries are not included in the company's accounts except through dividends received. Dividends received in 1944 represented about 8.8% on the investments, Mr. Riley stated.

DIVIDEND NOTICE

BRITISH AMERICAN OIL COMPANY B-A LIMITED

NOTICE is hereby given that a dividend of Twenty-Five Cents (25c) per share has been declared on the issued No Par Value capital stock of the Company for the second quarter ending June 30th, 1945. The above dividend is payable in Canadian funds, July 3, 1945, to shareholders of record at the close of business on the 4th day of June, 1945.

H. H. BRONDSON,
Secretary.

Dated at Toronto, April 30th, 1945.

WHEN BUYING LIFE INSURANCE SELECT

The EXCELSIOR INSURANCE LIFE COMPANY

A STRONG CANADIAN COMPANY

New Rail Control Order Is Ready For V-E Flash

All War Freight to be Halted on Moment's Notice to Prevent Traffic Snarls and Speed Shift of Supplies to Pacific Fronts

By DWIGHT MOODY

MONTREAL — Well in advance of any similar definite action in United States to meet a threatened transportation and storage congestion on eastern railroad lines and seaboard points on V-Day, Canada has a plan to meet this problem, completed and ready for action at a moment's notice.

Under date of May 1, 1945, Transport Controller T. C. Lockwood has given notice to the railroads, through the Railway Association of Canada, that on receipt of special instructions on an order known as a "Stop and Hold Order," the railroads are forbidden to accept any freight specified in the order, and shippers must obtain new permits before their shipments can be moved.

Orders permitting shipments of munitions and war goods of various sorts are to be designated "T.C. (Series No.) S.H." Transport Controller . . . Stop Hold. The railroads have been instructed that on receipt of instructions, they must stop and hold at the shipping point (or if cars are in transit, at the first terminal or Canadian station on the U. S. border) all carload freight moving under permits bearing the letters "SH." Only on receipt of new permits marked "TC-VDE" may such shipments subsequently be released.

Notification, under date of May 1, also has been sent to shippers of war goods, advising them that they will be notified by wire the hour and date when the "Stop and Hold Order" will be effective.

Because United States is faced with a similar problem, the U. S. Army's Transportation Corp. has summoned U. S. railroad officials to a conference in Chicago on Wednesday of this week to discuss how the roads are to reverse major traffic flow from east to west; how they are to handle the million or more troops returning home for furloughs and retraining before going to the Pacific. It's expected that production cutbacks will ease the over-all freight burden and the eastern load will drop temporarily, but the western lines will be billed to capacity.

Canada's boxcar supply situation is better. Due to energetic measures by the transport controller and the railroads, tie-ups have dwindled, and a lot of cars that got "lost" in United States, during the recent transport crisis in that country, are now back in Canada. At present, the excess of Canadian cars in United States over number of U. S. cars in Canada is only 5,800, as compared with 15,000 about six weeks ago. Inasmuch as normally there is an adverse balance with the U. S. on boxcars, the present situation is deemed reasonably good, all factors considered.

Paper Worker Pact Revised

MONTREAL (Staff) — Revised labor agreements generally in the newsprint industry are expected to follow a new agreement reached between Canadian International Paper Co. and the International Brotherhood of Papermakers and other unions.

A provision in Canadian International's new agreement with its workers is for two weeks vacation with pay for employees with five years' service, and although the company rejected a union demand for a general wage increase of three cents an hour it was stated that the company would not oppose an application for such an increase if taken to the Regional War Labor Board.

New provisions also were agreed to for overtime pay, and this provision, together with others, are to be submitted to the Regional War Labor Board for approval.

Here is Sample of Publicity For Us on Stock Rackets

From The New York Times, April 28, 1945

'WILDCAT' ISSUES EVOKE WARNINGS

American investors were warned yesterday, at a conference of Better Business Bureau representatives of the United States and Canada in the Chrysler Building, to be on the alert for "wildcat" mining securities offered by Canadian promoters.

Spokesmen said the swindling had reached such proportions that agencies of both countries charged with protecting investors were greatly concerned.

H. J. Kenner, general manager of the New York Better Business Bureau, asserted that the dealers in mining stocks, chiefly gold mining shares, were soliciting by letter, telegram and telephone in many States. He described the stocks as of the "blue sky" variety and frequently selling for less than a dollar a share.

The claims, he added, are fantastic. "They would do credit to a Ponzi—$10,000 profit on a thousand shares—700% profit in a year," he said.

"By trading on the reputation of these legitimate companies," he said, "these stock jobbers, by high-pressure methods, are trying to palm off their issues of dubious value."

Agents of the Securities and Exchange Commission and other authorities are trying to block such traders, Mr. Kenner said, but are hampered because of the failure of the government's extradition treaty with Canada to cover securities violations.

The offering of the "wildcat" shares is unlawful in the United States because they have not been registered with securities authorities, but the vendors cannot be extradited to this country for trial.

The Pennslyvania Securities Commission has issued forty-four "cease and desist" orders against Canadian dealers in the last two years.

Civilian Radio Ban Off Soon

(Continued from page 1)

facturers have greatly stepped up the production of components in Canada and are now less dependent on imports, the situation in tubes is still difficult.

(Manufacturing sources in Montreal this week told The Financial Post that the earliest date for new sets for civilians would be the first quarter of 1946, that scarce materials, used under high priorities for war radios, would bottleneck civilian set output.)

Before the war it is estimated that 85% of Canadian radio components were imported. Over-all, this percentage has now been almost reversed. At present Canada can make about 70% of a radio receiver in this country.

However, in the case of tubes, The Financial Post is informed that at least 65% of the components come from the United States. As well there are a number of tubes which we do not make here at all.

And so far, in the United States, orders for Pacific war production are expected to prevent any immediate or substantial capacity for production of civilian requirements. Thus Canada may be in the position of having unfinished sets available for civilians considerably in advance of the time when the complete job can be turned out.

Assuming the prohibition order is removed in Canada, Canadian plants will get their production lines and materials ready and in shape, hoping that the necessary U. S. imports will be available without too much delay at about the time that our sets are ready for the market.

Currently, radio tube production on this continent is not adequate to handle replacement, let alone provide capacity for new sets.

Ault & Wiborg Co. Plans Expansion

Sales for the first quarter of 1945 for Ault & Wiborg Co. of Canada were up substantially over the corresponding period of last year, A. C. Ransom, chairman of the board, states. The 1944 amendment to the excess profits tax permitted a slight increase in the company's standard profits which may be retained in the business.

Extensive postwar expansion plans that include construction of two new factories and additions to present facilities, are already under way, Mr. Ransom says.

New Markets Are Developed By Aluminium

MONTREAL (Staff) — Despite continued restrictions on use of aluminum for nonwar purposes in Canada, Aluminium, Ltd., already has a good start in development of nonwar demand for Canadian aluminum in export markets.

Great Britain has launched a project for construction of 50,000 prefabricated aluminum houses and, in view of the leading position of Aluminium subsidiaries in the fabricating field in Britain, it can be assumed that Aluminium will play a leading role in this project, using Canadian-made aluminum. For each house, two tons of aluminum are used. In Canada, Fairchild Aircraft has been experimenting with production of aluminum homes for export and home needs.

British light-metal fabricators, who have been visiting Canada recently, estimate that Britain will be the leading market for Canadian aluminum after the war and state that Britain will want all the magnesium Canada is now producing. Two Canadian plants—the Dominion Magnesium Co. plant at Renfrew and the plant of an Aluminium, Ltd., subsidiary at Arvida—are now producing magnesium from Canadian ores. As with aluminum, the major factor in producing magnesium economically is cheap power.

Shipping to East Indies

In addition to the British aluminum housing project, Canadian aluminum is now going into equipment being shipped to the Dutch East Indies to replace equipment on the rubber plantations destroyed by the Japanese.

At the recent annual meeting of Aluminium, Ltd., stockholders were given a preview of aluminum equipment that will be available in Canada after the war, and which in some cases is now being shipped overseas. The items displayed included a light-weight aluminum wheelbarrow, various farm equipment, a 1,200-lb. casting for Diesel engine piston extension, mass-produced containers for canned meat and canned milk, keys, hardware, a bicycle frame, sporting goods such as ski poles, a section of a freight car roof. Some of these lines are still in the experimental stage, some already in production. In many cases, the products would compete with steel which is roughly twice the weight of aluminum.

Setup Reorganized

Edward K. Davis, president of Aluminium, Ltd., stated at the company's annual meeting that, of more than 20 aluminum producers in the world, Aluminium, Ltd., more than any other is forced by limitations of home demand to depend on exports for existence, and therefore is in a position to benefit by a freer exchange of goods in the markets of the world.

The company, to develop export markets, has subsidiaries operating fabricating plants or sales offices in a dozen or more countries, also has set up an internal organization comprising six companies each providing guidance to far-flung operating companies in its field of special interest, with the latest of such units, headed by R. E. Powell, having to do with production management.

Mr. Davis noted that, although there had been great expansion in production facilities during the war, industrial establishments which formerly had to be educated on the forming of aluminum now handle it as a standard material.

Soviet, Though Outvoted Victor in Frisco Battle

(Continued from page 1)

that the two republics be invited to this conference, and seated immediately. Again the Latin Americans agreed. But this time, they said, they would refuse to put off any longer the question of Argentina. If Russia insisted on having her pet subject dealt with at once, they would do likewise.

"Phony" Victory in Votes

If the Russians wanted to embarrass the Americans, they succeeded all right. To begin with, the "overwhelming" victory in votes was largely phony. The whole of Europe abstained, except for the states that supported the Soviet Union. China abstained too; so did India and New Zealand and South Africa. So, aside from the 19 Latin American votes, the United States and Britain were supported only by Canada, Australia and assorted little states like Liberia.

And the support of Canada and Australia was somewhat qualified. No sooner had the vote been cast than Dr. Herbert Evatt, Australian Minister of External Affairs, announced that his delegation had taken its stand "with reluctance and anxiety," Canada's delegation was split; M. J. Coldwell, CCF leader, proclaimed his view that our vote had been a mistake, that it would have been better to wait for Argentina to free her press and universities, open her concentration camps of political prisoners, and otherwise give proof that she's on our side.

So far as could be learned, nobody else in the Canadian delegation shared Mr. Coldwell's view. But what did bother our delegates and advisers was the introduction of bloc voting tactics, and the demonstration that an issue could be carried by a group of states that mustered 19 votes in the assembly, but only one division in the field against the Axis. Some people have described the Latin American voting bloc as a set of international rotten boroughs.

As a result of the week's manoeuvres, the Soviet Union has worked herself into roughly the following position:

In spite of the fact that she has got everything she really wanted, Russia has given way—more or less gracefully—on four separate points. She gave way on her demand for four chairmen in the steering committee, incidentally forcing United States into an appearance of picayune assistance on its rights in a fairly trivial matter. She gave way on her demand for an invitation to the world labor congress to attend, like the ILO and UNRRA in a consultative capacity. She gave way on her demand for a seat for the Warsaw Government in advance of the reorganization agreed upon at Yalta, and finally, she bowed to the will of the majority on the Argentine issue.

When something else comes up that the Soviet Union really wants, she will have built herself quite a backlog of grievance on which to draw.

Many Big Subscriptions Received for Eighth Loan

In accordance with the custom in previous Victory Loans, The Financial Post presents the official list of large subscriptions to the Eighth Loan. Only those subscriptions officially confirmed by Loan Headquarters are published, and no subscription below $500,000 is included in The Post presentation.

Sun Life Assurance	$20,000,000	F. W. Woolworth Co.	1,000,000
Metropolitan Life Insurance	20,000,000	Home Insurance Co.	830,000
Canadian Pacific Railway	17,500,000	Canadian Order of Foresters	800,000
London Life Insurance	15,000,000	West Kootenay Power	800,000
Prudential Ins. of America	15,000,000	Bank of Commerce Pension	750,000
Canada Life Assurance	12,000,000	Canadian Marconi	750,000
Consolidated Mining	8,000,000	Cockshutt Plow Co.	750,000
Shawinigan Power	6,095,000	Proctor & Gamble Co.	750,000
Imperial Life Assurance	5,000,000	Woodward Stores	750,000
Province of B. C.	4,500,000	Bathurst Power	700,000
Commercial Credit Corp.	4,000,000	Safeway Stores	675,000
Steel of Canada	4,000,000	Dominion Metallurgical	650,000
Consolidated Paper	3,900,000	Investors Syndicate	625,000
Crown Life Insurance	3,000,000	Anglo-Huronian	600,000
Canada Permanent	2,000,000	Asbestos Corporation	600,000
Huron & Erie, Canada Trust	2,000,000	Electro Metallurgical Co.	600,000
Ontario Paper Co.	2,000,000	City of London	600,000
B. C. Power Corp.	1,500,000	Canadian Oil Company	550,000
B. C. Workmen's Comp.	1,500,000	Famous Players Canadian	515,000
Bronfman Interests	1,500,000	Bank of N. S. pension fund	500,000
New Brunswick, Province of	1,500,000	Distillers Corp.	500,000
North American Cyanamid	1,500,000	Canada Malting	500,000
Canadian Kodak Co.	1,250,000	H. J. Heinz Co.	500,000
Hudson's Bay Co.	1,250,000	Hinde & Dauch Paper	500,000
Shell Oil	1,250,000	Foundation Co. of Canada	500,000
Canada Cement Co.	1,200,000	Int'l. Business Machines	500,000
Robin Hood Flour	1,200,000	S. S. Kresge Co.	500,000
Canada Steamship Lines	1,000,000	Lake St. John Power & Paper	500,000
Credit Foncier Franco-Can.	1,000,000	Moore Corporation	500,000
General Steel Wares	1,000,000	National Breweries	500,000
Montreal Trust	1,000,000	M. J. O'Brien Limited	500,000
Vancouver City	1,000,000	Quaker Oats Co. of Can.	500,000
Waterloo Trust	1,000,000	W. Robinson & Son Converters	500,000
Western Savings & Loan	1,000,000	St. Lawrence Paper Mills Co.	500,000

War Contracts Wait U. K. Plans

(Continued from page 1)

orders for special ammunition and equipment were still being received at Ottawa up to this week.

For example, the demand for armor-piercing shells has been actually doubled. As well, another contract which will substantially increase the demand for workers at an important Canadian plant is now under consideration.

While the British "termination" date has not changed about as has the American, the British have already indicated their willingness to consider changes which Canada feels are in line with her needs and requirements. One important British contract has already been reduced in order to permit the release of certain quantities and types of steel needed by Canada for construction purposes.

Look For It Here

May 5, 1945

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THIS HAND—this right hand of yours and mine, of millions of Canadians—gives answer once again.

The call is for *double-duty* dollars . . . to provide for the nation's security now, for our personal security tomorrow.

Your right hand holds your POST-WAR BONUS—the finest investment in the world . . . the Victory Bonds of Canada.

Keep your Bonds SAFE . . .

Your Victory Bonds are as valuable as cash . . . don't rely on the desk or dresser drawer for their safety when our vaults provide protection at such small cost. For 10c. per $100 per year — minimum charge 25c. — we will place your bonds in our vaults for safekeeping.

"MY BANK" TO A MILLION CANADIANS B of M

BANK OF MONTREAL

Retain 1941 Price Basis As Civilian Goods Return

(Continued from page 1)

to business is the view now held at Ottawa, that the 1941 plan would not be proper or suitable for the reconversion period. In this period, scarcity is the governing factor. Where goods or raw materials that enter into production are in short supply, price control will remain. Where ample supplies of certain materials or groups of commodities are available, the policy will be to consider removing those items from the price ceiling.

The third point is the recognition that there can and should be no "master plan" for removal of WPTB restrictions and controls with the close of the European war.

Though V-E day may bring some acceleration in de-control due to precipitate action in the United States or Britain (our big war customers) the fact is that Canadian decontrol so far as conditions remain in our own hands, will be a day-to-day affair. Thus, The Financial Post is now informed that there remain, for example, in the entire metals administration of WPTB, only a rough dozen of limitation or control orders. These presently prohibit the production of:

- Radios
- Bicycles
- Farm machinery
- Construction machinery
- Washing machines
- Metal containers
- Vacuum cleaners
- Sewing machines
- Electric and commercial refrigerators
- Commercial laundry and dry-cleaning equipment
- Electric and commercial cooking stoves.

Admittedly these are all-important production items, but the point is that individually or in groups, scores of other restricting orders have been gradually eliminated as conditions warranted, without any waiting around for V-E or some other such "political" or "military" landmark. Thus with the exception of the standardization orders on glass containers, all this type of orders in the metals administration have been removed.

On the contrary, in the textile field where shortages are expected to continue for some time yet, a new set of production directives covering tens of thousands of garments are only now being promulgated. This program started in 1943, on items which were then in short supply. It has now been extended almost completely to clothing and apparel fabrics, in order to ensure that the limited supplies of material flowing into manufacturers and distributors hands, goes first into essential types of goods.

New Bidlamaque Gold Mines reports that payment has been received covering an additional 150,000 shares under March 31, 1944, agreement with James A. Grant. Balance of agreement comprises an option on 450,000 shares. Issued capital is 2,450,005 shares.

Paramaque Mines advises that payment has been received covering an additional 10,000 shares under Nov. 15, 1944, agreement with Federal Trading & Agency Ltd. Balance of agreement comprises an option on 1,147,995 shares. Issued capital is 1,852,005 shares.

NEWS ABOUT

Sport Coats and Slacks

We have just received some of our new lines in sport jackets and slacks, the type you'll want for Spring and Summer wear.

THE SPORT COATS—A host of colorful tweeds in checks, herringbone, donegals, diagonals and many others. Tailored in the easy-fitting, two-or-three-button models for men and young men. From 16.50 to 22.50.

THE SLACKS—English flannels, gabardines, cords and tweeds tailored in slack styles with drop-loops or regular models. from 8.50 to 10.50.

Simpson's

The Store for Men—Second Floor.

THE WASHINGTON LETTER

Cutbacks Don't Wait for VE-Day As WPB Knocks 14% from Schedule

Special Correspondence

WASHINGTON—While military needs for the war against Japan retain top priority in its war effort, the United States is already cutting back army ordlers and increasingly converting resources to peacetime purposes in essential items such as textiles and lumber. In many lines of war production, VE-Day has already arrived on the U. S. home front heralded by a reduction of 14% in schedules maintained by the War Production Board. This is Stage 2—the period between the defeat of Germany and the defeat of Japan—and it has been reached in gradual transition, rather than in an abrupt break. Robert Patterson, Under-Secretary for War, disclosed that "substantial amounts" of cutbacks had been made in army procurement. J. A. Krug, chairman of War Production Board, told a House committee that he expected one third of WPB's controls would be lifted within the next four months.

H. G. Batcheller, chief of operations of WPB, said VE-Day had proved a "will o' the wisp," and that when actual fighting ends in Europe many changes in war production at home will already have been made. The demands of the European war were tapering off sharply and the planning of reconversion was being geared to a "one-front" war. There will be "progressive releases" of resources, materials, facilities and manpower, WPB said. American war planning, as described in report of the Office of War Mobilization, has envisaged three stages:

1st stage—until Germany is defeated.

2nd stage—from VE-Day to VJ-Day, i.e., from the defeat of Germany until the defeat of Japan.

3rd stage—after all fighting ends.

* * *

Expect Tariff Adjustment Act To Pass in Original Form

Chairman Robert L. Doughton (Dem. North Carolina) of the House Ways and Means Committee has been in Congress since 1911. He recognized that "we have a fight on our hands," in getting the Reciprocal Trade Agreements Act renewed this year. This could be applied to all international measures arising from the settlement of peace which is already in the making in a dozen fields of foreign policy. A quick survey of the Washington situation in this regard shows that action is pending on three measures.

The reciprocal trade measure has encountered a filibuster in the Doughton Committee, but close study of its nature indicates it does not come from the Republican party as a whole, only from a minority of die-hard protectionists like Daniel Reed, the New York Congressman from 45th District, south of Buffalo along the Pennsylvania line, who declared the reciprocal trade agreements, such as United States entered with Canada, contributed to the causes of the present war.

Political veterans who are managing the administration's legislative program believe the reciprocal trade measure will be approved virtually as requested. The Bretton Woods proposals, before the House Banking Committee, may suffer some amendments, but will likely be approved by Congress. The United Nations food and agriculture organization, now ready to be introduced on the floor of the House, will likely carry quickly.

Reports of the House Ways and Means Committee of hearings on the Reciprocal Trade Agreements Act will contain a bulky variety of commercial information. To meet opposition arguments, administration leaders have made comparative studies of costs in different countries, and some details have been put in the record. Henry Wallace, secretary of commerce, was asked to support his contention that: "We should be able to compete with the world in most lines." He said the output per manhour in the United States was 50% higher than in Canada, next most efficient industrial country, and more than twice the output in the United Kingdom or Soviet Russia. He recognized exceptions to this, notably shipbuilding, in which U. S. costs are 66% higher than in Canada, 100% higher than in Britain. Other testimony elicited the claim that the output of the best cotton cloth producers in United States exceeded that of the Lancashire textile industry by 800%.

* * *

This argument about costs relates, of course, to the traditional American fear of competition from cheap foreign labor and the products of such labor. This in turn is related to one of the most contentious international issues ensuing from the Crimean Conference, which declared that it is "just that Germany be obliged to make compensation in kind to the greatest extent possible." To Moscow, this means acceptance of the Russian plan to utilize several millions of Germans as forced labor in the reconstruction of Russian industries and cities. The French Ministry of Finance and National Economy in Paris has announced France's desire of obtaining 2,000,000 German workers to rebuild French industries and cities, as reparation in kind for the loss of more than that number of Frenchmen held as prisoners and deportees in Germany.

Neither in United States nor Britain will it be feasible to import slave labor for reparations work. But the employment of millions of Germans in virtual servitude to reconstruct Europe's war damage outside of Germany will shake the balance of world industrial capacity within a short period. In United States, a campaign is already in progress against war slave labor, from organized labor and manufacturers.

* * *

Bernard M. Baruch's remark in England that a period of unprecedented prosperity is possible after the war "if we use half the sense God gave us," has created a wide impression in America. He recently reported to President Truman on his trip of inspection to Britain in which he was engaged when President Roosevelt died, but no details were released immediately. But the basis of Baruch's thinking is well known. It is that after the war, the demand for goods will be universal and there will be more jobs for a long time than there will be workers to fill them.

SUPERINTENDENT

T. F. B. Walker, appointed superintendent, securities and investment dept., Canadian Bank of Commerce.

Dalhousie Institute Launches Three-day Labor Forum

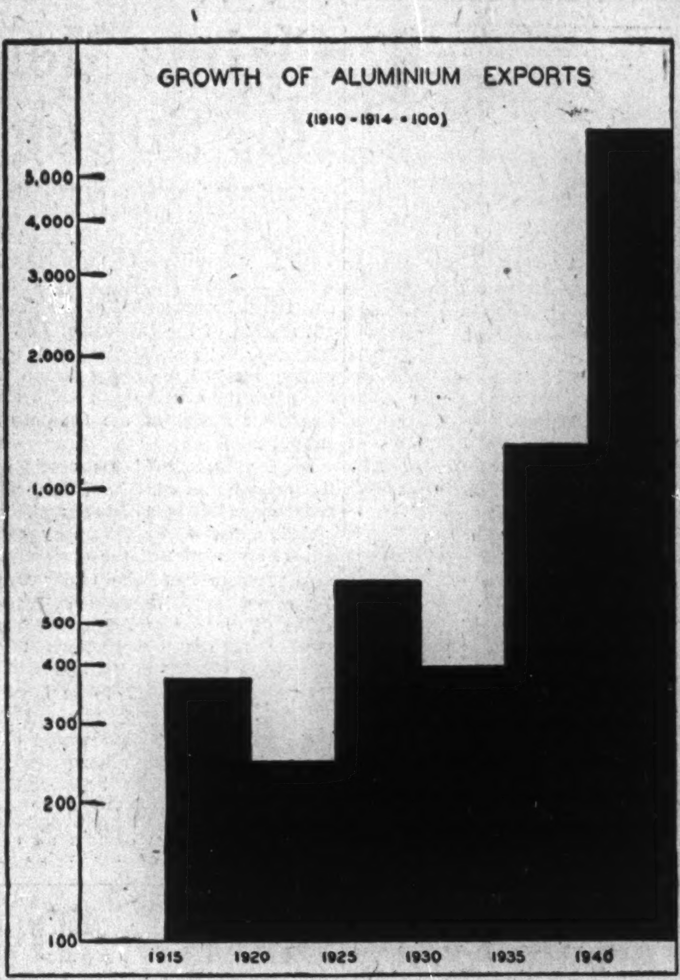
From Our Own Correspondent

HALIFAX—The Dalhousie University Institute of Public Affairs—an educational institution already highly regarded for its practical studies of the economy of the Maritimes—is setting a new precedent in Canadian educational circles when it sponsors its first Maritime Labor Institute conference at Halifax, May to 9.

The Institute of Public Affairs has invited all labor unions in the Maritimes to be represented at this conference which will feature a panel of international economists and labor leaders. This three-day conference is the outcome of a series of local labor forums held last year in Sydney, Matapedia and Halifax. It is an invitation to labor to pool its practical knowledge of Maritime and Canadian labor relations with educationalists.

In pioneering this event the Dalhousie Institute of Public Affairs will offer Maritime labor leaders a talented and widely experienced group of speakers. Accelerated wartime production has brought into labor's ranks large groups of men and women who have never fully understood the functions of unions, and the problems of labor relations during the past five years have been shared by labor and management alike. The agenda at this conference will deal with many problems of industrial relations, both present and future, and will deal with specific postwar problems which will affect the social and economic welfare of labor.

Ashley Gold Mining Corp. reports current assets of $16,449 as at Dec. 31, 1944, as against current liabilities of $84. Investments were valued at cost of $101,633 and comprised 369,239 shares of Jerome Gold Mines carried at $91,323 and other mining shares $10,310, with market value $3,250.



Of the more than 20 aluminum producers in the world, Aluminium, Ltd., more than any other is forced, by the limitations of home demands, to depend on exports for its existence, and is therefore in a position to benefit by a freer exchange of goods in the markets of the world, Edward K. Davis, president, stated at the company's annual meeting.

In developing these markets, Mr. Davis said, Aluminium, Ltd., operates fabricating plants or sales offices in a dozen or more countries, and its internal organization comprises six companies, each providing guidance to widely scattered operating companies, with the latest, headed by R. E. Powell, supervising production management.

Mr. Davis stated that although wartime needs had resulted in sharp expansion in production facilities, a favorable factor is that industrial establishments which formerly had to be educated in the use of aluminum now handle it as standard material.

That's the reaction of many men who suddenly find themselves the Executor of a friend's estate. Will *your* Executor feel the same way? If he does, can you expect him to handle your affairs efficiently? Wouldn't it be better to name the Crown Trust your Executor? To us it's an old and familiar story—our business.

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G. W. Hendershot Corrugated Paper Co. retained net profit for 1944 was $28,039 as compared with $17,166 for 1943. Total current assets as at Dec. 31, 1944, stood at $164,919 and total current liabilities at $33,624 as against current assets of $153,528 and current liabilities of $43,005 for 1943. A one-story brick addition to the factory building was completed during the year. This provides some 3,500 square ft. of floor space devoted entirely to the shipping and storage of company products.

Alberta Caucus To Tackle Debt

Manning is Expected to Accept Ilsley Offer in New Deal

From Our Own Correspondent

EDMONTON — Strong likelihood that the Alberta Government has come to an agreement with the bondholders' committee regarding the proposed refunding of the province's debt, and that the Dominion Government will assist in the scheme, was seen here with the announcement that a Social Credit caucus is set for this week.

Members have been called to Edmonton to attend a state dinner for the Earl of Athlone but will couple this with a caucus at which refunding will be the main topic.

With the refunding plan announced during the session opposed by the bondholders' committee and the Investment Dealers' association, it is possible Premier Manning, following a series of discussions with bondholders' representatives, has reached a compromise that will still get Alberta's debt refunded on a slightly different basis.

Ottawa New Factor

The main difference expected is the participation in the scheme by the Dominion Government. The offer made in February by Finance Minister Ilsley was rejected by Mr. Manning, who said the federal plan involves payment of $24 millions more to bondholders than the sum required under the provincial scheme. The Dominion offer was to pay to the Alberta Government $9 millions, supplemented by annual payments for the duration of the tax agreement.

The offer was predicated on two things—recognition by the province of its liability for the full amount of unpaid interest, $25,190,631 at June 1, 1945; and recognition by the province of liability to the maturity date for the higher rates which some of the outstanding bonds carry, as compared with the rate averaging 3½% on new refunding bonds.

Sask. May Ask Cut In Interest

From Our Own Correspondent

REGINA—A request to the Dominion Government to reduce interest on Saskatchewan treasury bills it holds is foreseen here as a result of the recent interest reduction given to the province by a number of chartered banks on treasury bills they hold.

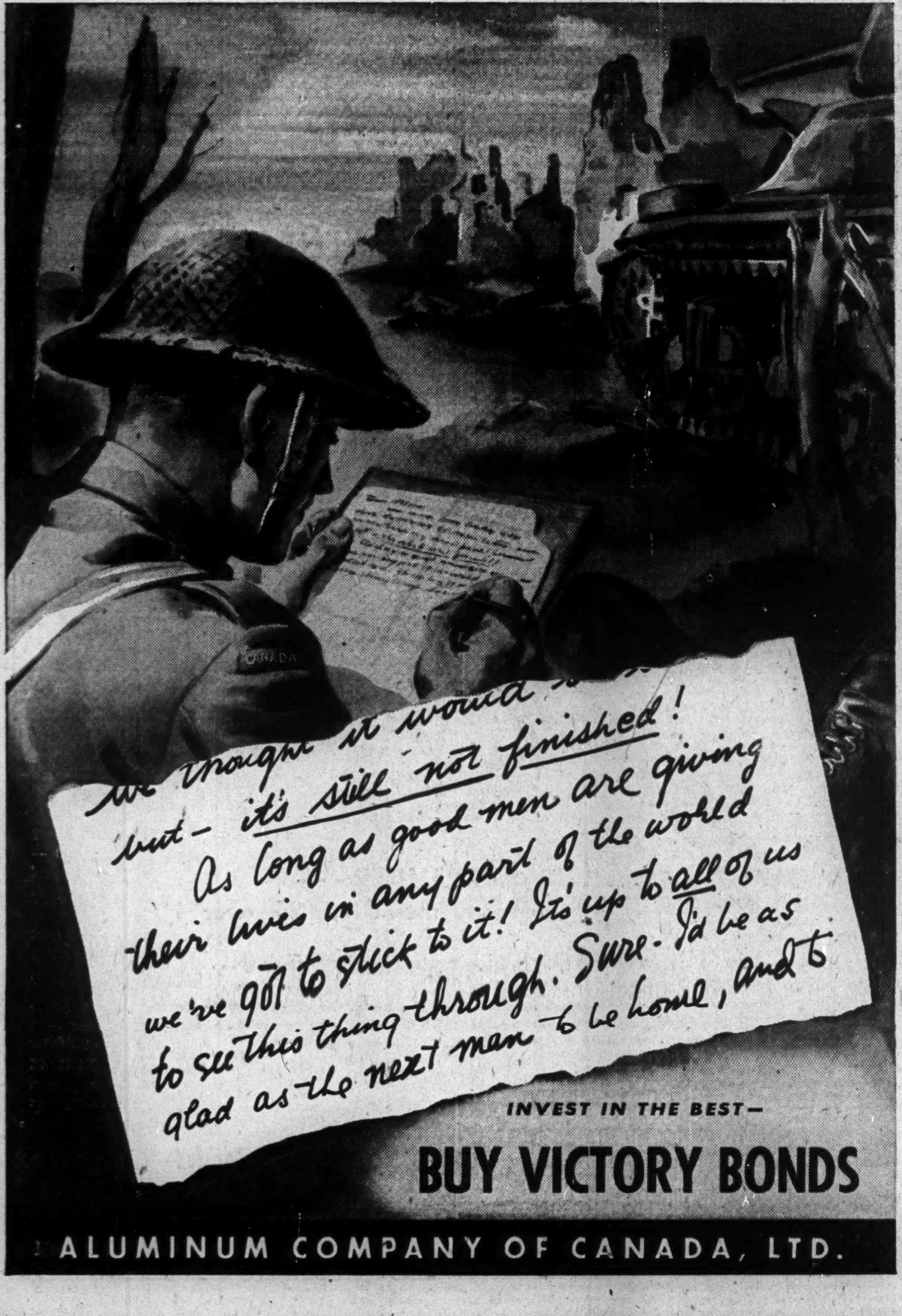
The banks have about $10 millions in Saskatchewan treasury bills and they have cut the rate from 3 to 2½% because of the improved financial condition of Saskatchewan and better economic conditions.

The reduction means a saving of $50,000 annually.

It is believed the provincial government will soon approach the Dominion seeking a like reduction on the treasury bills which Ottawa holds and which total $97 millions. Such an approach is unlikely until after the federal election.

Anglin-Norcross Corp. net profit for 1944 was $47,449, including $8,000 refundable EPT as compared with $87,862, $18,072 refundable EPT for 1943. Total current assets at Dec. 31, 1944, amounted to $881,253 as against $1,219,011 for 1943. This compares with total current liabilities of $209,020 and $398,615 respectively. With the construction program of the government substantially completed the volume of construction work carried out in 1944 was considerably reduced from the previous year and this, together with continued taxation, affected the net earnings.

BOOST BOND BUYING



Now IS THE TIME!

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Paper is still in short supply. To conserve paper and help finish the war, please print only urgently needed essential materials now. But ask your printer to get your future jobs ready for press ahead of time.

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EDDY QUALITY PAPERS

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See Excellent Outlook For N.S. Iron and Steel

This is the fourth in a series of articles dealing with specific aspects of the report of Dr. MacGregor Dawson on the Development and Rehabilitation of Nova Scotia.

Most urgent for Nova Scotia's industrial upswing in the years ahead is the installation of the strip, sheet and tin plate plants, for in view of competition from other parts of Canada, it is absolutely essential that a claim should immediately be staked for a fair portion of that business before it is too late.

The foregoing highlights a report on the steel industry in Nova Scotia, prepared by Arthur G. McKee & Co., engineers and contractors of Cleveland, Ohio, and The Financial Post is told this study is one of the most comprehensive made on iron and steel thus far.

Dr. R. MacGregor Dawson, commission chairman, urged the N. S. Government to act immediately on the recommended plants and "The steel industry in Europe is largely destroyed, and at least three years must elapse before it can resume operations, which, for some years to come, will then be devoted to the rehabilitation of the devastated countries.

"While United States steel production will be very high, the location of the Sydney industry gives it a great advantage in the export market, and the lull in European competition presents an unusual opportunity which should not be overlooked."

Need Dominion Aid

Dr. Dawson says Government aid is needed and "The Dominion should give aid on much the same terms that were offered to firms in Central Canada (and in Nova Scotia) during the war. These, however, might be modified in such a way that actual rather than superficial equality should be achieved.

"Thus, if the same tax concessions and write-offs which were allowed under wartime tax schedules were offered under the different peace conditions, they would not in reality be as generous or provide as strong an inducement for a company to extend its plant. On the other hand, construction undertaken in peace would be sure to be of direct and permanent benefit to the industry concerned.

"The Commission is reliably informed that the Algoma Steel Corporation (which received aid to the extent of at least $19,302,000) had coke ovens and a new blast furnace built at the expense of the Dominion Government, and then obtained the use of them through a long-term lease—an arrangement which no doubt would be quite as acceptable to Dosco as it has apparently been to Algoma."

The Commission also recommended improvements in plant equipment which would cut production costs of ingots by as much as $3 to $4 a ton and finished products by $5 a ton over 1938 figures, and would also enable full utilization to be made of a plant already involving many millions of dollars.

Major Findings

Seven major findings emerge from the report:

(1) Supply of basic raw materials, their accessibility, the situation of plant, and market are such that the iron and steel industry in Cape Breton should have a reasonably assured future.

(2) Present high costs of producing primary iron and steel are too high. Certain metallurgical problems are being solved; but plant alterations, new equipment are needed to greatly reduce costs of production.

(3) Other high cost factors (notably productivity of labor and transportation charges, both of which have been detrimentally affected by the war) must be much improved before the industry can hold its own against competition either within or without the Dominion.

Extensive Market

(4) There is an excellent opportunity in Canada to produce hot rolled strip, and, from it, sheet and tin plate. The Canadian market for these products is extensive, and the Nova Scotia plant, given the above improvement in costs, should be able to compete successfully in certain areas and secure approximately one third of the total business.

(5) In as much as war has led to marked increase in the company's pig iron and steel-making capacity without a corresponding increase in rolling mill capacity, except for the plate mill, this additional plant is highly desirable and even necessary to enable the industry to maintain a balanced and diversified production.

(6) Secondary industries might be expected to arise through a utilization of these light flat rolled steel products.

(7) Given the above reduced costs, the Nova Scotia iron and steel industry might, by virtue of its unusually favorable seaboard position, legitimately expect to build an export trade as well.

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SALES MANAGER

W. F. Mitchell, appointed general sales manager of Shell Oil Co. of Canada. He was operations manager.

Weston Plans Biscuit Plant Toronto Area

No Reconversion Problem — Common Divs. Not to be Increased

An important part of the postwar program of George Weston Ltd. will be the repair and modernization of existing plant and machinery, and the erection of several new buildings, particularly a biscuit plant in the Toronto area to serve the Ontario and Quebec markets, President F. W. St. Lawrence told shareholders at the recent annual meeting.

No reconversion problem will be faced when civilian production is resumed but expenditures for replacements will be fairly substantial. In respect to trucks, Mr. St. Lawrence estimated that the necessary replacements would involve an expenditure of around $500,000.

With expenditures needed under this program Mr. St. Lawrence is "sure the shareholders will appreciate that dividends should not be increased at this time."

A considerable expansion in the business of the newly acquired Southern Biscuit Co. of Richmond, Va. is believed possible with peace.

Mr. St. Lawrence revealed in reply to a question that no additional Western Grocers Ltd. stock has been purchased since the date of the prospectus covering the 4½% preferred stock issue (Nov. 21, 1944) The company now holds a total of 14,887 preferred and common shares of Western Grocers Ltd. which cost $2,887,000, it was disclosed.

Company officials declined to give a breakdown between common and preferred stock holdings. In reply to a question on details of prices paid for Western Grocers stock, The Post was told this should have been asked at the special general meeting November last year.

Redaurum Red Lake Gold Mines is reported to be planning on resuming diamond drilling. Work ceased last fall due to water shortage.

Co-op Packers Reduce Plans

Lethbridge Project Cut Down to $95,000 From $300,000 Original Plan

From Our Own Correspondent

LETHBRIDGE—New plans and a new setup are announced by Lethbridge Co-operative Packers Ltd., which is backing a move to establish a co-operative packing plant in Lethbridge to serve the large livestock producing region surrounding this city.

The original plan, following the incorporation of the association under the Alberta Co-operative Marketing Act, was to establish a $300,000 fully equipped and complete packing plant. The project has now been revamped and on a basis which, it is felt, will have an appeal not only to the farmers and livestock producers but also the businessmen.

Announcement is now made that a drive will be launched to raise $125,000 on the basis of a 5% annual return, to build a modern packing unit at Lethbridge at a cost of $95,000 based on plans secured by association directors in Portland, Ore., after a personal fact-finding investigation of modern Pacific coast meat packing units. The plan chosen by directors is that of the Oregon Livestock Co-operative of Oregon City, near Portland, and while it is a complete and up-to-date unit, the costs of construction and equipment have been cut two thirds which changes the whole picture, R. H. Dahl, president of the Lethbridge co-operative points out.

While the plant to be built will be a complete unit, it is not planned to go into full-scale competition with the established packing house industry. It will be operated on a custom slaughtering basis, killing for farmers, ranchers and the trade and will give to the public government inspection of meat. Thus a terminal market will be established here effecting substantial savings to the growers.

Inter-State Royalty Corp. retained net profit was $25,050 for 1944 as compared with $17,836 for 1943. Current assets at Dec. 31, 1944, stood at $259,654 and current liabilities at $49,573 as against $121,562 and $48,540 respectively in 1943. Profit realized on sales of oil royalty interest during 1944 amounted to $14,997 as compared with $10,768 for 1943. Losses on lease investments were $5,482 for 1944 and $3,719 for 1943.

Claims Montreal Light Has Strong Legal Case

MONTREAL (Staff)—If the plan for amendment to the act expropriating the Montreal Light, Heat & Power Consolidated properties—which Premier Duplessis has indicated will be presented at the present session of the Provincial Legislature—is not a satisfactory one, the company will have every reason to appeal to the courts, John S. Norris, president, stated at the company's annual meeting.

Book valuation of the assets of the company, said Mr. Norris, approximates $37.50 a share, and, he added, a "scientific inventory and expert appraisal" of the company's assets, which has been under way for some time, indicates that the value of the expropriated assets is greater than the valuations that have been carried in the books.

Mr. Norris stated it to be inconceivable that "any government of the Province of Quebec would expropriate this or any other property for its own uses without paying the value therefor to the owners, or without giving the owners an opportunity to prove the value of their property before an independent tribunal." Continuing, he said:

"Value" Usual Measure

"It will be of special interest to the shareholders to know that in every statute authorizing expropriation passed by the Dominion Government or by any of the provinces (with the possible exception of last year's statute affecting your company) "value" has always been the measure of compensation; furthermore, in legislation passed at the present session of the Quebec Legislature the same principle has been followed, as set out in both the Rural Electricity Bill and the Radio Bill.

"It must, therefore, be obvious that any attempt to limit the definition of 'value' in the case of the expropriation of your properties must be directed toward taking away some element of value from you without payment or compensation, which, of course, would not only be gross discrimination, but would be confiscation pure and simple."

See New Dyeing Process As Changing Techniques

A new process that may revolutionize the field of textile dyeing has quietly but steadily been brought toward perfection during the war years in the plant "labs" of several American and one Canadian company—Ault & Wiborg Co. of Canada. In the new process pigments will be used rather than dyes and fabrics will be printed in much the same manner as paper on a rotogravure press. The color impressions and heat "set" will all be done in one continuous operation thereby saving many man-hours over the older, more laborious "vat" dyeing methods.

Sharper colors and lower operational costs, arising from fewer mechanical treatments, are but two of the qualities claimed for the new process by pigment manufacturers.

Already the new process has been used on cottons, spun rayons and mixtures and recent experiments have proved it particularly successful with nylons and fiberglass.

Secure Patent Rights

Sole Canadian patent rights of the New Aridye Pigment-Dyeing Process, are owned by Ault & Wiborg Co. of Can., through arrangements with Interchemical Corp. of United States. The Canadian company has done extensive research on its own during war years on perfection of pigments and color application methods.

Synthetic resins in solution with pigments act as a binding agent and supply the fibre-clinging quality of the new process. In very tight supply during war years, the resins are expected to be produced in Canada when war restrictions are eased.

Most of the pigments are already produced in Canada and after the war 75% to 90% will be made here, manufacturers claim. Through research the range of colors is constantly increasing.

In the single color, or "padding," process, the fabric is passed through the pigment and resin solution and then through two or three roll padders of such construction that the color will penetrate the fabric uniformly with the least possible excess. The fabric is then pre-dried at a temperature of 180 deg. to 220 deg. Fahr. Both sides of the material must be subjected to exactly the same drying conditions. In the drying operation the fabric is subjected to yet higher temperatures and finally in the curing stage, under temperatures of around 375 deg. Fahr., the resins change chemically (polymerize) forming a bond which is resistant to solvents and mechanical washing.

In the printing process where patterns are put on the fabric the method used is very similar to that of printing colored illustrations by means of a rotogravure press. A separate cylinder for each color is used with individual color patterns etched in. Here, however, the preheating, drying and curing operations are combined and performed in one operation. Currently the individual color patterns are etched into the copper cylinder by hand.

Rich Core Pulled At East Sullivan

Latest drilling news on East Sullivan Mines has occasioned marked activity in the shares on the Toronto Stock Exchange with price reaching a high of $6.70 and closing at $6.30 on Tuesday. No. 3 W hole returned a true width of 52 ft. running 8.186% copper and $3.48 gold and silver for a gross value of $20.67. The hole was sited on the westerly section of the Bourlamaque property, being south of the Aumaque boundary and northeast of Centremaque.

Complete assays are not as yet available from the hole, although reports suggest values running from 390-ft. depth. The 52-ft. section was encountered at footages 420 to 435, 485 to 494 and 505 to 533. Mineralization in other core for true width of 100 ft. is reported high in copper and gold ore. Hole No. 4 W was spotted some 100 ft. west of No. 3 W with 10 ft. of mineralization encountered. The hole is down about 285 ft.

Gas Rationing to Stay States W. K. Whiteford

A continuance of motor fuel rationing for some time to come is indicated. This was the view of W. K. Whiteford, president of British American Oil Co., expressed at the recent annual meeting.

"There is much loose talk and speculation about the relaxation of various controls including gasoline rationing as of some certain day. As far as gasoline rationing is concerned the international picture does not indicate that this will be the case," Mr. Whiteford stated.

"There is nothing in the announcements of the heads of the military forces in Europe to indicate that there will be an appreciable slackening of motor fuel demands until all of the resistance in Europe is crushed. Even after this has been accomplished, until European refineries that have been destroyed can be rebuilt, the Canadian and United States requirements abroad will continue heavy and the amount of gasoline available for civilian use will, in our opinion, continue to be tight." In addition the progress of the Japanese war is increasing the demands on the petroleum industry.

During 1944 certain relaxations were permitted under government regulations effecting the sale of asphalts and heavy and medium fuels.

The company's major accomplishments during 1944 may best be measured through the purchase, transportation, manufacture and sale of the largest volume of petroleum and its products in our history; the successful installation and operation in Turner Valley of the first major recycling and repressuring process in the history of Canada; the successful introduction to the motoring public of our new alloyed Peerless motor oil; and the development of the largest crude oil reserves in the history of our American subsidiaries, Mr. Whiteford stated.

Crude runs of refineries for 1944 were the highest on record—9,798,400 barrels as compared with 8,085,200 barrels in 1943.

Finished products marketed reached the record total of 301,879,236 gallons—an increase of 6.68% over 1943—with a total value of $49,544,653.

Efforts to develop crude oil production in Western Canada were continued. Several large blocks of acreage have been leased and seismograph work will be carried on in 1945. Two test wells were drilled on the Alberta plains but neither was successful in encountering production.

The British American Oil Producing Co., the U.S. subsidiary, drilled 41 wells in 1944, completing 24 oil producers, one gas well and 16 dry holes. At the end of 1944, it operated 382 wells including eight gas wells. Proved reserves increased about 24.3%. The total net production during 1944 amounted to 4,005,647 barrels or an increase of 5.7% over 1943 and this was the largest net production since 1937. Net earnings of the U.S. subsidiary amounted to $540,279 in 1944.

Deeper drilling, increased costs of labor and materials, and a continued expansion of seismic exploration work increased operating costs. The prices for crude oil remain unchanged except that a U.S. Federal subsidy was granted on Aug. 1, 1944 on production from low-yield properties. This subsidy had no material effect on the price received by British American for the sale of crude oil. The total amount of subsidy effected British American's price less than 1c. per barrel, Mr. Whiteford stated.

The cost of finding oil has steadily increased during the war and industry surveys show that the costs of finding oil have increased between four and five times. Net profit from crude oil production will continue to decline under these conditions until such time as the price of crude oil bears a closer relation to the cost of finding oil, Mr. Whiteford believes.

Toronto Pipeline Co. transported 10,472,804 barrels of petroleum in 1944, the largest annual volume since its inception.

Wendell Gold Mines advises diamond drilling has started on its Duverny twp. property.

BUY AND HOLD VICTORY BONDS

"If he invites us into his private office to tell him about the 200,000 families who read The Standard every week-end, we will give him the two box seats for the ball game and we'll use the bleacher tickets."

THE STANDARD, PUBLISHED AT 231 ST. JAMES STREET W., MONTREAL

New Directors Of Imperial Oil

R. V. LeSueur, K.C., was re-elected president and named chairman of the board of Imperial Oil Ltd. succeeding G. Harrison Smith who retired at a directors' meeting following the annual meeting on Apr. 30. Directors were increased from six to nine. New directors are:

Head of the geological department—O. B. Hopkins; Economic co-ordinator—J. R. White; Head of employee relations department—F. C. Mechin; Superintendent of Refineries—C. E. Carson.

Directors re-elected were:

R. V. LeSueur, K.C.; H. H. Hewetson; Geo. L. Stewart; A. F. Halverson; F. W. Pierce.

BOOST BOND BUYING

CPR Gross and Net Down in First Quarter

MONTREAL (Staff) — Canadian Pacific Rly. reports gross earnings for March $736,849 lower than in March of last year, at $26,382,817, while net earnings after expenses and taxes—due in part to higher wage rates—declined $1,284,971 to $2,603,897.

Gross for the first quarter totalled $73,632,220, decline of $1,215,773 from last year, while net earnings were down $3,750,544, at $6,016,489.

International Holdings Ltd. reports that of the total revenue of $542,790 in 1944, 88% was received from dollar sources and 12% from other sources. Common earnings were 51 cents. The dividend paid to shareholders absorbed $488,261.

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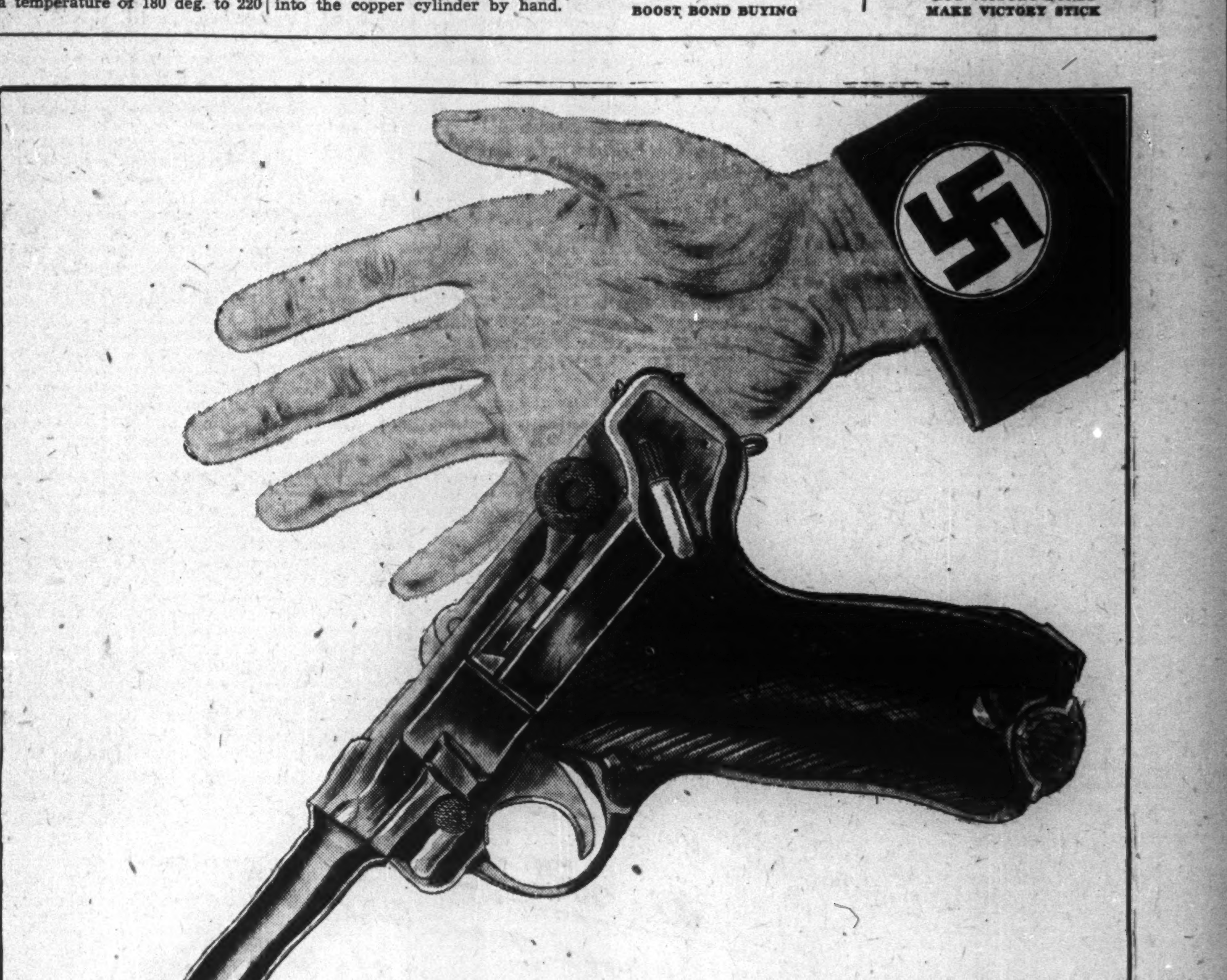

THEIR SURRENDER - - -
doesn't mean it's "all over"!

It's much too early to throw our hats in the air and cheer . . .

. . . time enough for that when the Jap is defeated; when those boys and girls in the armed forces who are sacrificing so much . . . can celebrate complete Victory with us.

'Till then we cannot—we must not let down . . .

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TOWN OF WATROUS SASKATCHEWAN

NOTICE OF CALL FOR REDEMPTION

To: The Holders of Debentures of the Town of Watrous dated December 31, 1939.

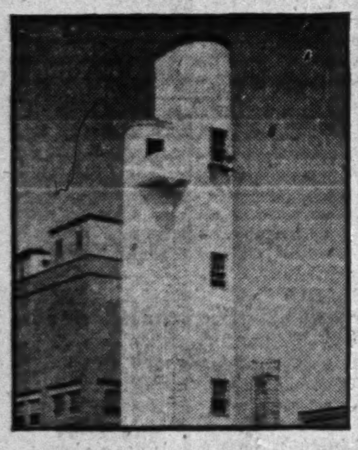
NOTICE is hereby given that pursuant to the special privilege expressed in the above debentures the Town of Watrous will redeem all of the said debentures on the 31st day of May, 1945, at a sum with regard to each of them equal to the value on that date of all sums of money unpaid thereunder discounted from the dates such sums would otherwise become due to May 31, 1945, at a price to yield 5% per centum, per annum, upon presentation and surrender of such debentures accompanied by all coupons appertaining thereto, at the office of The Royal Bank of Canada, in Watrous, Saskatchewan, and that the Town of Watrous hereby pursuant to such special privilege hereby calls the said debentures for redemption as aforesaid.

AND FURTHER TAKE NOTICE that in case the debentures hereby called for redemption are not presented for redemption on the 31st day of May, 1945, at the place stated above, all interest on the said debentures will cease to accrue from and after the said 31st day of May, 1945.

DATED at Watrous, Saskatchewan, this 24th day of April, A.D. 1945.

TOWN OF WATROUS,
Per Constance B. Bracewell,
(Town Seal) Town Clerk and Treasurer

That part of the redemption moneys which represents accrued interest upon the debentures will be subject to the 5% withholding tax imposed upon Canadian residents by Section 9B (1) of the Income War Tax Act, which tax will be deducted at the time of payment.



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INVESTMENTS THIS WEEK

V-Day Won't Slow Market View of Investment Men

Investment men are in fairly solid agreement that victory in Europe will not bring any interruption to the general trend of stock prices in Canada. It is pointed out that the victory celebration will undoubtedly interfere with normal investment business, just as it will interfere with other businesses, and that this might cause some minor unsettlement. But it is felt that most recent buying and selling has been on the assumption of victory within a few days and that if victory were to bring a change in trend it would already have been discounted by the stock markets. Recent buying from New York is said to have been fully as bullish as that from Canada and no reversal of U. S. sentiment is expected.

One leading broker states, however, that his clients are about evenly divided as to whether the three-year-old bull market has much longer to run. As far as the recent startling advances in the prices of "drill-hole" mining properties are concerned, few investment men are willing to hazard opinions. It is pointed out that these prospects are in too early a stage of development for their real value to be estimated and that the price of their shares is vulnerable in consequence.

But it is felt that most blue chips in the mining field will very quickly benefit from the anticipated release of manpower. So, of course, will many of the established industrial companies, which can now proceed with the expansion plans which will expand their long-term earning power.

Expect More Refunding By Provinces in 1945

The question of what provincial financing is likely for the balance of this year has been raised by announcement of the refunding of Manitoba's $2,583,000 May 1, 1945, maturity, together with the statement that the province would not need to finance again at least until Oct., 1946.

Chief items of investment interest in the provincial picture are, of course, Alberta and Saskatchewan. Reports that a Social Credit caucus will be held in Edmonton this week and that the bondholders' representatives are there again has caused activity and strength in Alberta bonds in the New York market. Alberta 4½'s of 1956, which were around $90 on Apr. 1 and about $94 a week ago, have risen sharply to about $102 in New York.

Saskatchewan is thought to have reached a satisfactory arrangement re its $5¼ millions of 1945 bond maturities although no announcement has been made.

Present indications are that the Province of Quebec will be in the market with a sizeable loan soon after the Eighth Victory Loan campaign is finished—probably in June.

Nothing immediate seems in prospect for the other provinces. New Brunswick has $2,750,000 maturing Dec. 16, Nova Scotia has $2 millions maturing Sept. 2, and $2 millions maturing Nov. 30, Ontario has $18 millions maturing Sept. 1, and $10 millions maturing Dec. 15, and Prince Edward Island has $2,125,000 maturing between Aug. 1, and Oct. 15. Consequently it seems likely that each of these provinces may be in the market sometime before the end of 1945.

British Columbia is not likely to be in the market again before Oct., 1946 when it has a $2 millions maturity.

• • •

New Refunding Bond Issue Expected For Burns & Co.

A refunding bond issue for Burns & Co. is considered likely for shortly after the conclusion of the Eighth Victory Loan campaign as a result of the announcement of the call of all the company's 5% first mortgage bonds at 101 and accrued interest on July 1, 1945, The Financial Post understands.

At the present time the net amount of these bonds outstanding with the public is $4,721,250 while the company owns $430,700. Since Dec. 28, 1939, funded debt has been reduced $1,947,050 or about 29.2%. During the same period working capital increased $506,813 to amount to $3,316,009 at Dec. 27, 1944.

In view of the improved financial position, a combination of serial debentures and long term 3½% or 3¾% bonds is thought to be most likely for the new issue.

• • •

Two Views Are Prevalent On Canada Steamship

Considerable interest has been evidenced this year in Canada Steamship Lines Ltd. common stock which is currently around $13¼ per share.

Investors point to the substantial improvement in the company's financial position in recent years to the 1944 earnings of $1.33 per share and to the yield of 7.55% at a price of $13¼ per share on the basis of the $1 dividend paid in 1944. Reduction of the outstanding debt in 1945 and refunding with a $8.5 millions 3½% issue is felt to further strengthen the position of the common stock.

The declaration of a 50c. per share on the common, payable April 16, is considered an indication that the company will endeavor to continue the $1 annual dividend rate.

Some other investors, however, feel that in spite of the improved financial position of the company, the future is too uncertain to merit a much higher price for the stock. The future prospects would actually seem to be dependent on postwar business conditions.

The stock has a 1944-45 high of $14¾ and a low of $9¾.

• • •

Expect Counter Suggestion From Prince Albert, Sask.

Prince Albert, Sask., City Council is likely to propose a new plan for re-arranging their debenture debt, The Financial Post understands.

Early in March discussions were held between representatives of the city, of their bondholders and of the Saskatchewan Local Government Board. As a result a tentative plan was outlined but decision regarding final settlement of the debt was deferred in order to give the City Council time to discuss the plan and determine their position. Details of the new proposal are expected to be received by the bondholders representatives shortly.

• • •

Brown Co. Oil Properties Leased on Royalty Basis

The pamphlet financial statement of Brown Co. for 1944 contains some details regarding the oil properties in Florida, originally acquired for agricultural purposes, and oil drilling privileges on which have been leased to Humble Oil & Refining Co. The report states:

"Negotiations with oil producing companies which extended over a large part of the year culminated in December, 1944, with the making of an oil, gas and mineral lease by Shawano Plantation, Inc., a wholly owned subsidiary of Brown Co. Upon its execution a cash bonus of $35,194 was paid to Shawano. The primary term of the lease is five years, with provision for extension. There are also provisions for complete or partial termination by the lessee in certain contingencies. In the event oil, gas or other minerals are produced in paying quantities, royalties at the usual or standard rates will be paid to Shawano. Exploration has not yet commenced on the Shawano lands."

• • •

International Utilities Subsidiaries May Refund

Refunding at lower rates in 1945 of the bonds of Canadian Utilities Ltd. and of Northwestern Utilities Ltd. and of the preferred stock of the Canadian Western Natural Gas, Light, Heat & Power Co. is indicated as likely by the annual report of International Utilities Corp., the parent company, which states:

"The management of your corporation and of its Canadian subsidiaries are giving very careful consideration to the possiblites of refinancing the senior securites of the Canadian subsidiaries and it is hoped that before the end of the year 1945, some definite action in that direction may be taken."

As at Dec. 31, 1944, Canadian Utilities Ltd. had $2,523,000 Series A 5% bonds due Sept. 1, 1955, outstanding which are callable at 104 on or before Sept. 1, 1945. Northwestern Utilities Ltd. had outstanding $2,619,500 of 4½% bonds due June 1, 1959, which are callable at 103. The Canadian Western Natural Gas, Light, Heat & Power Co. has 25,082 shares of 6% preference stock outstanding which is callable at $105 per share. All these securities are selling at their call prices which is an indication that the market considers the re-financing a likely prospect.

BUY AND HOLD VICTORY BONDS

Sales Up 10% For Int. Metal

To Consider Increased Class A and a Class B Dividend

Consideration will be given to increasing the dividend on the class A common stock to the rate of $1.60 per share as soon as the financial position warrants it, A. L. Ellsworth, president of International Metal Industries Ltd. told its shareholders, at the annual meeting in Toronto on Apr. 19. As, at that time, the Class B stock will be entitled to receive a dividend, serious consideration will also be given to the declaration of a dividend on the Class B stock by the directors.

Sales for the first quarter of 1945 are about 10% higher than in the same period of 1944, W. E. Maun, vice-president and general manager said, and it is expected that net profit, after all taxes, for 1945 will be about the same as last year. In 1944, International Metal Industries earned per share $1.93, excluding, and $2.39, including the refundable portion of the excess profit tax, on its combined Class A and Class B common shares.

The Superior Metal Products Co., a subsidiary, is currently operating at as high a capacity as the labour and material situation will permit producing milk cans, and has been successful in selling its products in the South American market, Mr. Maun told the shareholders.

Shareholders approved a by-law to increase the capital stock of International Metal Industries Ltd., which will pave the way for the retirement of the outstanding 6% preference stock through issuance of new cumulative preference stock, to bear a rate not exceeding 4½%. (See Financial Post, Apr. 14,1945).

TO SHELL OIL B.C.

N. Y. Knox becomes vice-president and general manager of Shell Oil Co. of British Columbia, at Vancouver. The appointment coincides with extension of Shell Oil operations into B.C. following an expanded program of exploration in Alberta. Mr. Knox was vice-president and general manager of Shell Oil Co. of Canada.

Tip Top Tailors Ltd. annual report shows retained net profit of $176,898 for 1944 an improvement of $66,772 over 1943. Working capital position was down at $1,908,181 as compared with $1,989,217 for 1943. The decrease was partly accounted for by the purchase for $125,000 of the land on which the company's premises in Toronto are located. Common earnings were 90 cents a share excluding refundable portion and $1.98 including refundable.

Manitoba Sells Refund'g Issue

New Low Interest Cost to Province—No More Financing Until Oct., 1946.

Sale in the U.S. market by the Province of Manitoba of a $2,386,000 refunding issue of four year 2% debentures, due May 1, 1949 and payable in U.S. funds, was announced by Premier Stuart Garson. The price paid to the province was 99.275 yield about 2.19%.

This is the lowest cost, for a comparable issue, at which Manitoba has ever financed in either the American or Canadian market, it is stated. Cost of a previous four year refunding issue made in Feb., 1944 was 2.88%.

Proceeds are for refunding $2,583,000 of 4½% debentures due May 1, 1945 and payable in U.S. or Canadian funds. This transaction makes it unnecessary for the province to again enter the financial market at least until Oct., 1946, it is stated.

Because of the existing premium of 11% on U.S. funds the payment at maturity of the 4½% debentures would have cost an additional $262,460. With the thought that this premium or some part of it might disappear at the end of the war, Premier Garson decided to refund the issue rather than to pay it off and so defer the added cost of the premium on funds. The interest saving as a result of the reduction in coupon will amount to $68,515 a year.

Sale of the issue was negotiated by a group of Canadian and American investment bankers comprising Wood, Gundy & Co. Inc., Dominion Securities Corp., A. E. Ames & Co. Inc. McLeod, Young, Weir & Co. Inc., Harriman Ripley & Co. Inc., First Boston Corp. and Smith Barney Co.

Call Preferred Of Beatty Bros.

No New Financing Planned—Domestic Business Higher But Gross Same

Beatty Bros. Ltd. announces that its outstanding 5,612 shares of 7% second preferred stock will be redeemed on June 30, 1945, at $110 a share plus the accumulated dividend of $3.50 a share. This was reported to be under consideration in The Financial Post of Apr. 28, 1945.

No new financing is planned, The Post is informed, as funds for the redemption will come from working capital which at Aug. 31, 1944, amounted to $5,218,153. Funds required amount to $636,962.

The domestic business of Beatty Bros. is a little better in the current fiscal year to date as compared with the same period of the year ended Aug. 31, 1943, but government business is slackening down a bit, The Post is informed. Gross sales as a result are about the same as in the previous year to date. Plants are operating to the maximum extent that availability of labor and materials will permit, it is stated.

Upon retirement of the second preferred, the capitalization will consist solely of 39,000 Class "A" and 100,000 Class "B" no par value shares of common stock.

Wool Combing Corp. Operating at Capacity

The plant of Wool Combing Corp. of Canada, at Acton, Ont., has been working at full capacity to date in 1945 and sufficient orders are on hand to ensure capacity operations for the balance of the year, K. L. Markon, general manager, informed The Financial Post. Earnings are expected to approximate those of 1944 when $1.38 exclusive or $1.52 inclusive of the refundable portion of Excess Profits Tax was earned per share of common stock.

At the annual meeting on Apr. 27, W. H. Denton of Burns Bros.& Denton Ltd. of Toronto was elected a director replacing P. C. Finlay, who had resigned.

WHEN to BUY and WHEN to SELL

The bulletin "MARKET ACTION & INVESTMENT OUTLOOK" is issued once a week. It does not give you a lot of "ifs, ands or buts", and reasons why such and such a stock is attractive or otherwise.

It tells you EXACTLY WHAT TO DO.

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Notice to Debenture Holders of the

CITY OF MOOSE JAW, SASKATCHEWAN
MOOSE JAW PUBLIC SCHOOL DISTRICT NO. 1

Notice is hereby given that a Plan for refunding the debts of the City of Moose Jaw, Saskatchewan, and of Moose Jaw Public School District No. 1, is being recommended to debenture holders by the Moose Jaw Debenture Holders Committee. If holders of 51% of the outstanding debentures approve the Plan, the Committee will apply to the Saskatchewan Local Government Board for an Order making the Plan effective.

The Committee urges all holders of debentures to communicate with the Secretary of the Committee, W. F. McIlroy, 10th Floor, 302 Bay Street, Toronto 1, Ontario, in order to obtain details of the Plan and a Form for signifying approval thereof.

• *Three-year-old Jimmie Regan, who posed for our Eighth Victory Loan picture, is the son of Jim Regan, a former employee of the Tin Mill, who is serving overseas with the R.C.A.F.*

Jimmie is three . . .

This is the story of Jimmie . . . friendly, curly-headed little Jimmie . . . Jimmie is three, and to him life is a bright and glorious adventure, with days filled with laughter and merriment, and nights filled with wonderful dreams . . . And yet something is lacking in each of those glorious days, for Jimmie's Daddy is far away . . . Jimmie never stands at the street corner watching for that one particular figure to appear at the close of day . . . he never runs for "Dad" when his wagon is broken like Tommy and Robin do . . . and when his birthday rolls 'round there are only Mum and himself to blow out the flickering candles . . . But at night, just before he climbs the stairs to his little white bed, Jimmie is reunited with his Dad for a few moments . . . and Daddy is smothered with kisses from soft little boyish lips . . . and sometimes a hot little tear falls unnoticed on Daddy's face . . . and sometimes there is a soft little sob that ends wistfully in one half-whispered word . . . *"Daddy."* . . . Jimmie is three, and yet, deep in his heart, despite his tender years, he knows that some day soon his Daddy will be home again, his kit bag discarded, his task completed . . . Daddy will be his again . . . *to have and to hold!*

Speed Their Return . . . Buy Victory Bonds

Listen to "DOFASCO VICTORY SHOW" over CKOC — Thursday, May 10 at 7:30 P.M.

Dofasco
DOMINION FOUNDRIES AND STEEL LTD.
HAMILTON CANADA

Protests Rise on Sharepushing

Canada is currently having a "gold mine" boom —not because of the racketeer stock operators, but in spite of them.

Mine development outfits have been having remarkably good luck in finding promising properties. The value of these new operations to postwar Canada promises to be very substantial.

The "shady" operators who put little or no money into the ground naturally cite the spectacularly good property developments and resulting jumps in stock prices as proof that this can or will also happen for the "wise" investor in their stock.

But the flea that rides home first on the winning horse can't be credited with helping win the race. Neither can the stock racketeer take any credit for the present surge in gold mine development.

The racketeer hurts it and slows it down because he diverts millions of dollars available for mine speculation away from the honest-to-goodness mine developer. Furthermore, the man or woman who gets gypped once is unlikely for a long time to put up more money for mine stocks no matter how good the proposition nor how reputable the sponsor.

"Stock racket plague spot of North America" was the term pinned on Toronto at the recent conference of U. S. Security Commissioners at St. Louis.

Toronto seems in no danger of losing that title. Long-distance telephone lines to the U. S. are crowded day and night as a score of outfits specializing in this business push their wares with "sucker lists" of U. S. residents. Tens of thousands of letters and circulars clog the mails. (We get them sent to us from irate, complaining people from all parts of the U. S.)

In state after state security officials are issuing formal protests and warnings to their people against Toronto stock pushers. Almost daily the list of Toronto operators who will be jailed the moment they cross the border into the U. S. to face one or several counts grows.

Widespread U. S. publicity was given the very blunt and sharp warning just issued by the head of the New York Better Business Bureau against stock operators from Toronto.

CANADIAN GOLD STOCK TIPPING
WORST SCANDAL IN FINANCE

That was the heading on a blistering expose of the Toronto situation in the New York Post. The article went on to say: "The worst scandal in finance today is the tipping coming down from Canada on 'penny' gold mining stocks—and woe to you if your name gets on the international sucker list of the Canadian mining promoters and you are taken in by their shameless touting, their raw offers of something for nothing."

The article goes on to recount some of the operating methods of the Toronto sharepushers, says "regulation of the tipster fringe in the Dominion has been frankly tolerant."

A Report to Canadians

Walter P. Zeller, head of the 27-store retail chain, Zeller's Limited, has many ways in the past demonstrated his intelligent forward-looking understanding of what the term "free enterprise" means and of the business executive's job in modern society.

But we were particularly interested in the presentation of company philosophy portrayed in the Zeller report to the Canadian public published last week in The Financial Post.

Headed "Free Enterprise in Action," the advertisement was an easy-to-read, candid report of stewardship.

Here are a few items from this report: Over $7.5 millions or 69% of all money taken in by Zeller stores during the year in review was spent for merchandise, more than 90% of it for goods made in Canada.

Over $1.5 millions or nearly 14% of all receipts went to Zeller employees. Nearly $290,000 was paid under various profit-sharing schemes. "All Zeller employees participate in some profit-sharing." Pay during summer vacations (after six months' service) and winter vacations (after two years' service) totalled over $48,000.

Over 5c. of every $1 spent in Zeller stores went in government taxes.

Rents, light, property taxes, etc., took almost $700,000.

Dividends to shareholders and income left in the business totalled under $214,000 or 3.6% of the year's total income.

In the 13 years of company operation, the report estimates that more than $50 millions has gone into the pay envelopes of Canadians. In the same time, the shareholders whose enterprise and whose savings made it possible to establish the business received $941,563.

Here is an exceptionally good job of business reporting to the public. It merits the examination of business generally.

Why Discourage Job-making?

Important among the many jobs governments must attack promptly and sincerely in the months ahead is cleaning up the present wild tangle that exists on succession duties between various government jurisdictions. In his presidential address, Robert C. Stanley of International Nickel Co. of Canada Ltd. commented favorably on the final achievement of a reciprocal arrangement between United States and Canadian governments.

On succession duty problems with provincial governments we let Mr. Stanley speak for himself. He said:

"Rulings (of the Ontario succession duty authorities) in their general application to the U. S. investor in this and other companies in Ontario, impose provincial succession duty in addition to Dominion and U. S. federal and state succession or estate taxes. The Supreme Court of Ontario has decided, however, that the Ontario succession duty could not be validly imposed on shares transferable on registries outside Canada. The decision was unanimously affirmed by the Court of Appeal for Ontario in February of this year. I am informed that possibility of an appeal from this decision to the higher courts is under consideration by provincial authorities. In the meantime the Ontario succession duty status of many U. S. investors necessarily remains confused.

"In the long run Ontario would have much to gain by accepting the decision of the Court of Appeal and accordingly reverting to the policy which it followed for many years prior to 1941 that nonresidents are not to be taxed on Canadian shares which are transferable at any place outside the province.

"I am hopeful that in time the national governments both at Ottawa and at Washington will recognize the advantages of entirely relieving investors from the burden of succession taxes imposed by jurisdictions other than those in which they reside."

Canada's further development—the number of jobs available for our people—depends on how much savings can be channelled into productive enterprise. Discouragements and handicaps to the flow of savings for industry in Canada must be eliminated.

This Job is All Ready

The application of power to man's work has been the key to the progress of our civilization in raising standards of living. The gradual extension of electric power facilities to the rural areas of Canada is working an important change socially and economically.

That is just one of the important things about the postwar plan of Ontario Hydro Electric Power Commission recently announced.

That five-year plan is also important because it is completely blueprinted; is all ready to set in motion building 7,000 additional miles of rural transmission line, spending $22 millions and making hydro available to almost 58,000 new potential customers.

The plan is also important for the job-making effects it will have on business and industry generally. The HEPC estimates that present and new hydro consumers in rural areas will spend some $40 millions during the five years in wiring their homes and farms, in buying electrical equipment.

The whole project is seen as representing a $60 millions volume of business—$1 million a month—providing work for at least 5,000 men for five years. In actual fact, of course, the number who will indirectly benefit from this development will be very considerably greater.

Here is an excellent example of a "seed" project—the kind that grows and multiplies itself.

Why can the HEPC plan so big and so well? An important part of the reason is that it pays virtually no taxes. It has not had to share with private business the load of income and excess profit taxes. Many more fine job-making, development projects would now be ready or taking final shape; would be promising much for the national welfare had the federal government been less confiscatory in its policy on company reserves.

Should Directors Hold Stock?

Do company directors "play fair" with their company and with the public when they own few or no shares of that company's stock?

That is a question recently raised editorially in the long-established U. S. business magazine, Forbes.

"Have the executives no confidence in their ability to make the business successful? If the management doesn't think the shares are worth owning, why should anybody else?"

That kind of question and comment very naturally comes from the public since usually the company director is, or is commonly believed to be, a man of some means.

A very important development of recent years is the inclusion on company directorates of men of limited or modest means. On the directorates of big Canadian corporations there are farmers, workers and men of experience and sagacity who have a most valuable contribution to make but who are in no position to make much more than a token investment in the company.

No one would today argue that wealth be a qualification for company direction. But with respect to the more common variety of company director—the man of means—the point raised by Forbes is important.

While figures on the stock holdings of company directors are not available in Canada as they are in the United States, it is very generally known that some company directors certainly take a very minimum and casual stake in the companies of which they are board members.

We doubt very much if this is conducive to good business health. We doubt if the director who is not personally concerned in a company's future is likely to work very hard at assuring that that future is successful. Certainly there can be no doubt whatever of what the public is likely to think about a company nor about the energy and devotion a company is likely to get from its management when the management group has a substantial personal stake in company fortunes.

Forbes, for instance, cites the case of Philco. Here are some of the shareholdings of its executives: Vice-president, - 40,000; board chairman, 30,000; president, 23,800; other divisional vice-presidents, 13,837, 6,033, 4,833, 12,234, 3,333, respectively, and so on throughout the executive group. That kind of a picture tells the public a great deal about what it can expect from the management and what the management sees ahead for the company.

The man who accepts a directorship in a company is taking on a serious responsibility—a responsibility to the other owners (all the shareholders), to all the employees, to the community as a whole. If he has no ideas to contribute which he feels will improve the position of the company, then he should decline the invitation and make way for somebody who has. If he has ideas, then he is likely to be anxious to buy company stock.

The key to the future of any business, of Canada, and of the survival of the enterprise system, is the calibre of management; the seeking out and the harnessing of energetic business statesmanship.

Capsule Comment

"Do we as a people want to lose our individualism, our right to profit by our energy and ability and our freedom? Surely this is no time for national experimenting, but a time when we need experienced leaders in government, not amateurs."
—J. Y. Murdoch, president, Noranda Mines Ltd., in his annual address, commenting on Canadian socialism.

The Financial Post's Platform for Canada

1. *Efficient concentration of manpower and resources on prosecution of the war until victory is complete.*
2. *Overhaul of our tax system to stimulate employment, encourage enterprise, reward thrift.*
3. *Full participation by Canada in world action to ensure peace and promote world trade.*
4. *Aggressive salesmanship for Canadian products in world markets.*
5. *Planning now for postwar by government and business to ensure high levels of employment and to improve social standards through individual initiative and competitive enterprise.*
6. *Disposal of surplus war assets in a manner most conducive to business expansion, high employment and maximum return to the public purse.*
7. *Ending of wartime regulations and dispersal of wartime bureaus as swiftly as the main need for which each was originally created has passed.*
8. *Highest possible efficiency and economy in both public and private affairs.*

Post Scripts

Empire Club Head

Toronto's Empire Club of Canada is counting on some top-notch orators under the chairmanship of its new president, Eric Frederick Thompson, for public speakers are a major hobby with him.

MR. THOMPSON

Since travel is his business—Mr. Thompson is general agent of Canadian Pacific Steamships—he likes talks about the globe's odd spots. His interest at the moment is a lecture on Indo-China's interior, particularly the Kingdom of Angkor, "the eighth wonder of the ancient world."

Thompson's most recent globe-trotting took him on a world tour in 1938. It was a voyage that had to omit Japan because the Nipponese were busy bombing the Hong Kong-Canton railroad.

Thompson thinks travel can do a lot to build and maintain world peace, welcomes air travel as a complement to rail and ocean. Civilians will likely have to wait for some time after the war before they can start moving about as they wish. Overseas shipment of food and other essentials will long be a tremendous task.

One of Thompson's paternal forefathers got a grant of land in New Jersey in 1667. Thompsons tangled with the neighbors over the war of American Independence and joined the trek to Canada, hence rate as real Empire Loyalists.

In fact Thompson sentiments were so strong on the matter that the family had several vigorous representatives on the Canadian side in the War of 1812.

Eric Thompson was born in Toronto in 1896, attended Toronto and Collingwood schools. A job with a Toronto branch of the Canadian Bank of Commerce introduced him to business. After serving with the RAF in the last war, Thompson joined the CPR's steamship and passenger department as an accounting agent, then progressed to travelling passenger agent for Ontario, chief clerk, assistant general agent, then general agent in 1936.

His father, the late Frederick Harold Thompson, a Toronto broker, was a famous sculler, one of the Argonaut Four that won championships in the United States and England. Eric Thompson is an expert canoeist, a member of the crew that won the Canadian championship in 1921. He was a commodore of the Island Athletic Association and an officer of the Canadian Canoe Association. As a golfer he claims the Canadian record for booby prizes.

He is a member of Toronto's Board of Trade council, a past chairman of the Toronto Board of Trade Club, chairman of the executive committee, CP Luncheon Club, and lay delegate to the Synod at St. Cuthbert's Anglican Church. He was the rector's warden there for seven years.

• • •

Our Chief Eyewitness

The chief eyewitness observer for the Canadian people in the Jap war will be a 35-year-old Irish Canadian, Colonel Richard Sankey Malone, O.B.E.

He was founder of the Canadian Army's daily newspaper in the Italian theatre and he became Chief Public Relations Officer in the European theatre.

COL. MALONE

He has had a lot to do with winning a diplomatic battle which resulted in Canadian newsmen overseas operating independently of British, American and other news machines. Results in news coverage of Canadians, for Canadians, by Canadians, have been outstanding.

Landing in Sicily on D-Day as a brigade major, he took the surrender of Modica, captured the first Italian general. During the assault on Leonforte shortly after, Malone's carrier ran over a mine, killing several of his party. Malone escaped with broken ribs and minor injuries; was hospitalized in Algiers, was mentioned in dispatches for Sicilian services.

Malone, still in hospital and out of touch with the Canucks, heard they were pushing off for Italy, skipped from confinement, hitchhiked across Africa, flew to Malta, winding up in Sicily where McNaughton ordered him to report to Monty who appointed him personal liaison officer. Malone got a close-up of Monty, developed an intimate personal friendship, and had some high excitement into the bargain. Then followed Malone's appointment as Canadian Assistant Director of Public Relations with the 8th Army and with it occasion to launch the popular Maple Leaf.

A few weeks after the invasion, Malone published the French edition of the Maple Leaf in Caen, ran off the first edition while Nazis mortared the building from across the river. He personally commanded the press party that entered Paris immediately it fell, but got in a day ahead, set up press quarters at the Hotel Scribe while Germans were still in Paris.

On the first night, Malone got a wireless aerial on the hotel roof, and with a portable set, cleared the first press reports to the outside world. Here again four Canadian stories got out first. Malone did a repeat performance at Brussels.

Malone also had charge of the field end of psychological warfare, combat and consolidation propaganda carried out by leaflets, amplifiers and broadcasts directed against German troops, German civilians and civilians in the fighting zone's liberated areas.

Malone, a native of Owen Sound, attended University of Toronto schools and Ridley College, was with The Toronto Star for a short time, then joined the Sifton Press, and in 1934-35 was a member of Ottawa's press gallery. He hopes to return to the Canadian newspaper field after the war.

Canada, says Malone, has won tremendous stature in Europe, will have to step lively to live up to her reputation after the war. Canadians are tops on the western front, especially in Belgium and Holland, and natives give streets and avenues Canadian names.

• • •

Heads Quebec Architects

Harold Lawson of Montreal, newly elected president of the Province of Quebec Association of Architecture, has long been known as an outstanding exponent of the view that the duty and function of the architect is more than to plan houses and buildings; that architects have a broad social responsibility, hence should be in the forefront of all efforts to improve community environment both for social and economic reasons.

MR. LAWSON

For 25 years Harold Lawson has been advocating sound town planning. At various times he has been on Montreal municipal committees studying the problem.

Lawson was born in New York, June 21, 1885, and came to Montreal in 1911 to assist a Montreal firm of architects on a special job. He had planned to make his stay brief, but he's still here.

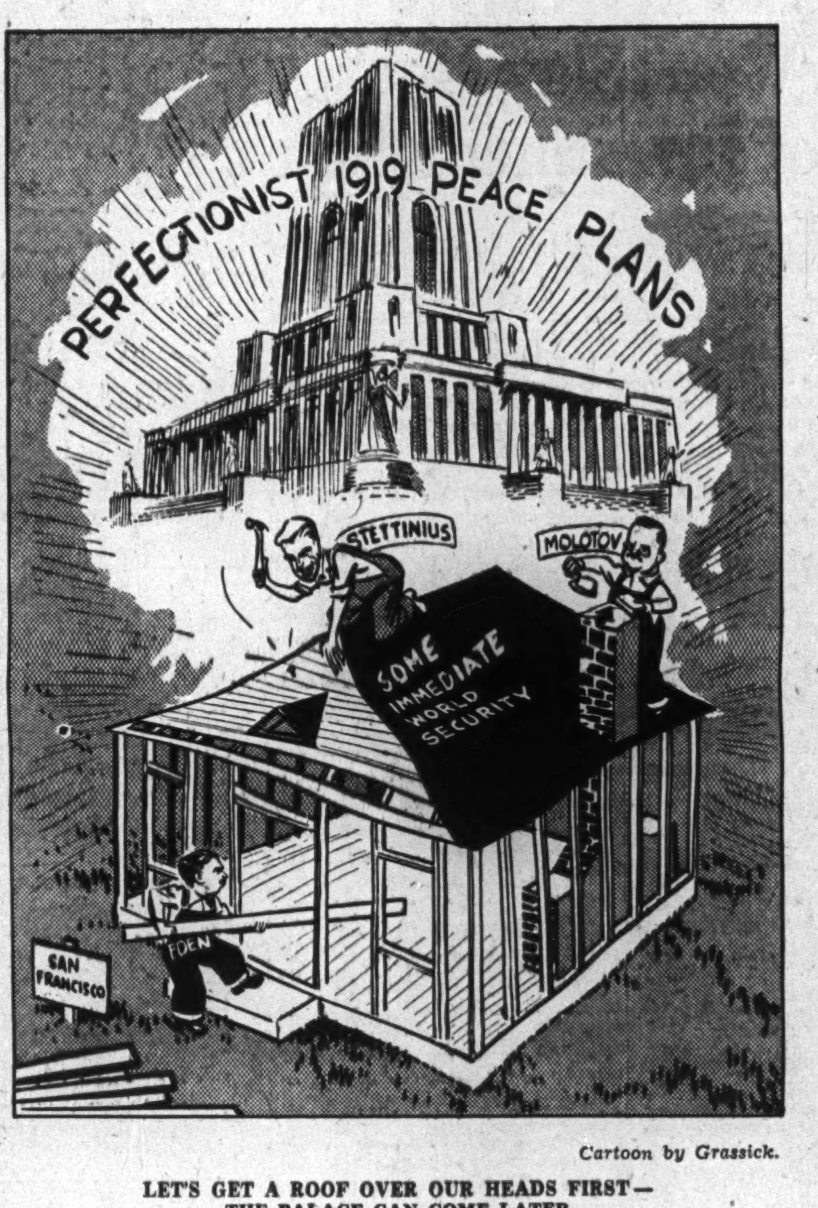
When he originally arrived here he had the average New Yorker's idea about the severity of Canadian winters and among his special preparations was a set of fancy earmuffs. His Arctic attire long attracted attention until he started dressing like a native.

He formed a partnership with Harold R. Little in 1922 and this firm has specialized in architectural work for the larger financial, business and industrial institutions of Canada. The Seignory Club is one of their jobs.

Lawson lives in Hampstead, a "model" suburban community on the outskirts of Montreal, which he helped plan and develop.

Recently he has been a consultant on urban planning to Halifax and Saint John, N.B.

He is a chess devotee; complains that it's hard these rushing days to get enough time and enough partners for it.



Cartoon by Grassick.

LET'S GET A ROOF OVER OUR HEADS FIRST—
THE PALACE CAN COME LATER

The Postwar World

What Cartels Mean to Free Enterprise

A revealing expose of cartels' threat to free enterprise was made in an address of J. Howard Pew, President of Sun Oil Company, before the National Conference of American Business Paper Editors recently. Herewith a digest of that address.

A superstate cartel is an arrangement requiring independent enterprises to restrict production, fix prices and/or allocate markets, made pursuant to an international agreement or treaty between two or more governments which undertake in some manner to enforce upon their nationals the terms and conditions of such an arrangement.

Illustrative of the superstate cartel is the abortive Anglo-American Petroleum Agreement submitted to the United States Senate last summer, but subsequently withdrawn under pressure of the unanimous protest of the American petroleum industry. The objectives of this proposal were never clearly set forth beyond vague statements that the purpose was to bring about an orderly development of the world's oil resources through the stabilization of the operations of the industry.

Such euphemisms as "orderly development," "stabilization," "fair competition," "rationalized competition," "elimination of waste," and "fair prices," always are used to describe the objectives of a cartel! They are terms which should immediately arouse your suspicions and command your close scrutiny.

The primary purpose of cartels is to restrict competition. Competition, bringing better products at lower prices, benefits the consuming public. So whatever restricts competition in the long run harms the public welfare. Price stabilization usually means the establishment of rigidity designed to protect high cost and marginal producers. It destroys incentives for low cost policies. Thus, cartels operate against the smaller, or relatively newer enterprises which, through increased efficiency, are challenging the position of older enterprises when the latter have become waterlogged through plant obsolescence and inefficiency.

Cartels operate to contract world trade. A healthy foreign trade is essential to our well-being as well as that of the rest of the world. But this foreign trade is not worth the price, if that price is abandonment of our competitive enterprise system and placing our domestic economy in a totalitarian strait jacket.

We are urged to climb aboard the cartel band-wagon. Who can be certain that other nations will remain wedded to the cartel system? The English are not united in support of cartels. Only recently Prime Minister Winston Churchill called upon the Conservative party to make private enterprise versus collectivization, and liberty versus controls, the issues of the forthcoming British election. The London Economist weekly thunders that cartels and other forms of collectivism are will-o'-the-wisps leading Britain to disaster.

Assume that we must live in a world which outside our borders is wedded to the cartel system. Then we should use our great economic power to give world leadership and direction toward a more universal adoption of the competitive enterprise system.

When the war ends in Europe, there will be billions of dollars of lend-lease and surplus military material abroad that can be converted to peaceful industrial use—as much as $30 billions worth. In disposing of that surplus material in the countries in which it is stored, let us attach a condition that none of it may be sold or given to any enterprise that is a party to any cartel arrangement.

Again why should not Congress enact legislation making it unlawful for America to lend money to foreign enterprises participating in cartel arrangements. Such action would apply to foreign loans the prudence and common sense exercised at home by bankers against lending to enterprises engaged in practices destructive of their markets.

We also could shut out of our rich market foreign monopolists set on discriminating against us and thereby driving us into a totalitarian economy.

What Others Are Saying

Editorial of the Week

The Maple Leaf

Canadian Overseas Army Newspaper

Today there is creeping into Canadian politics a growing tendency to treat the Canadian soldier as a means of getting votes and as nothing else. The Canadian soldier resents that trend, resents it bitterly.

Pte. John Canuck is overseas to help make Canada a better country for himself, the ones he loves, and the children who will grow up to become Canada's citizens of a few years hence. Anything the politicians do to further that end, Pte. John Canuck appreciates.

But, when Pte. John Canuck is bandied about for the sole purpose of getting votes, then Pte. John Canuck has a legitimate beef. Pte. John Canuck is beefing now. He doesn't want any part of political debates except those which are intended to help do what he is doing—making a better Canada.

The Canadian soldier has this to say to the Canadian politician: We came over here to do a job; we are doing it; leave us alone and we'll finish it.

Other People's Views

ABOLITION OF TRADE AND PROFESSIONAL MONOPOLIES in favor of democratic legislature control is urged in many parts of Canada but the B. C. government is guilty of delegating to these tight little syndicates the power to conduct their public business pretty much as they please, says the **Vancouver Sun**: "The act passed at the last session of the house in Victoria specifically states that corporations which exercise disciplinary powers shall incur no liability for damages unless the disciplined individual can prove malice. It means that the livelihood of a tradesman or professional man can be taken from him for any cause—good, bad or indifferent—and he has no recourse to the courts."

CANADIANS SHOULD BE CALLED CANADIANS, not British subjects, and "A perusal of our Naturalization Act indicates no applicant can ever become a Canadian under its provisions," writes a correspondent to the **Winnipeg Free Press** which added this comment: "And when, piled on top of this, a heroic young Canadian, whose name is Schmidt instead of Smith, returns from 30 to 60 operational flights over enemy country to find some ignorant employer asking him if he is 'a Nazi,' the thing stops being funny; it is disgraceful."

DEAD MEN VOTE IN QUEBEC, particularly in Montreal and investigation of the Cartier by-election in 1943 revealed "several very glaring cases of padding of the voters' lists," and Canada's chief electoral officer Jules Castonquay has issued a warning against offences in the federal election, says the **Calgary Herald**: "It constitutes an undeserved rebuke to election officials and the people of eight out of the nine provinces where polling day scandals are unknown. His warning should be directly addressed to Quebec and particularly to its chief city of Montreal. This is another example where innocents are grouped into an over-all class for official reprimand."

CUT IN FREIGHT RATES between the prairies and the Pacific coast is sought by the B. C. government with Alberta's support, and application for reduction will be made to the federal Transport board, says the **Winnipeg Free Press**: "It is evident that B. C. will raise such fundamental issues in the freight rate structure of Canada that the whole nation will be directly concerned in its proposals, since freight rates, like watersheds on the earth, always influence and often control the stream of transportation and of production."

UNPAID CIVIL SERVANTS—100,000 British grocers have gone on strike against a new government form they were ordered to fill in and Canadian grocers and many another class of honest tradesmen will understand the mood of their British brothers, says the **Ottawa Citizen**: "It would be rash to suppose, however, that this form-filling is merely a wartime phenomenon. It is here to stay—unless something is done about it. As the political champions of free enterprise legislate more and more cradle-to-grave laws, the forms will keep pace with their futile attempts to increase purchasing power by taking from Peter to pay Paul. We shall all be unpaid civil servants in the golden future when the official form finally accompanies every step from birth to deliverance."

NEARLY 8,000 OF 25,000 WAR BRIDES of Canadian servicemen have arrived from overseas to begin life anew on this side and they are an attractive and intelligent company of young women, eager to become Canadians and anxious to make good, says the **Ottawa Citizen**: "For Canadians as a whole, the important thing is to do everything to make these newcomers welcome and to assist them in every way to establish themselves."

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Taxes May Be Reduced One Third Is Implication of White Paper Plan

By KENNETH R. WILSON

OTTAWA — One very striking assumption underlying the Government's recent White Paper on Employment and Income is that federal expenditure will remain permanently around the $2 billions level in postwar years.

This means that the best that business and individual taxpayers can hope for is an over-all tax cut of about one third from present tax levels. Special new levies will probably be added, to pay the cost, in whole or part, of new social services like contributory old age pensions, but this will not prevent a general scaling down from current levels.

In the White Paper itself, no statement is made of the probable level of postwar taxes or government expenditure. Nor is such a statement likely to be made prior to the Dominion-provincial conference. If this is held (as now anticipated) immediately after the election, any success reached then in a satisfactory fiscal settlement would in all probability be reflected in the budget speech later in the year. Even then, tax cuts would be still largely promissory since 1945 revenues and expenditures are expected to be at or close to the peak levels of 1944.

The real significance of the White Paper is a commitment for the first time by any government in Canada to put "a high and stable level of employment and income" as the first and primary objective of national and economic policy. Never before has such a thing been done in Canada. Even allowing for the fact that the paper is merely a statement of "intentions," it has at least enumerated this new yardstick as a fundamental of postwar policy. Thus not only does the paper represent the views of the Government's very able economic advisers; it has, in addition become the accepted policy of government itself. Circulation of the White Paper is now around the 50,000 mark (40,000 English and 10,000 French).

Back Bretton Woods

In its pages are many new policy commitments. For example, it commits the Government for the first time on the Bretton Woods currency agreements. The Canadian Government had not publicly given a commitment on these agreements. Now it states:

"In the interest of Canadian world prosperity and of peaceful collaboration among nations, the government endorses these plans and hopes that Parliament will in due course, approve the draft agreements."

As discussed recently in Financial Post, the White Paper also announces for the first time the basis on which the government is prepared to make credits available in the "transition" period, to Britain and Allied countries in devastated Europe.

It throws the "employment and income" ball very definitely into the hands of private enterprise and indicates some of the channels through which government is prepared to help business assume responsibility for "a high and stable level of employment and income."

Deliberately, this White Paper is almost completely devoid of statistics. There are really only two, in its 11,500 words. First is the estimate that by June, 1945, we will have to provide something like 960,000 more jobs than in 1939. This figure, it is estimated will increase about 60,000 a year through the natural increase in population.

Right here, the White Paper is being criticized because while it sets up this target of jobs to be found after the close of the Pacific war, its main recommendations deal with a period when no such unemployment gap is contemplated, the stage between the defeat of European enemies and the defeat of Japan.

The Lowdown on Exports

The other figure given sets up a rough target for Canada's postwar export trade. The figure (1¾ billions of combined merchandise exports and monetary gold at current prices) was designed to allay a number of published fears as to the magnitude of Canada's export problem. It is stated specifically that this figure, while 60% over pre-war dollar value of exports, would be only 15% higher in the amount of goods exported.

Much of the comment that has appeared since the publication of the White Paper lays stress on the 60% increase. The significant point is the 15% figure—not 60%. The 15% increase is the more accurate present measure of what we need. Realization of this is both sobering and reassuring in light of fears that Canada was going to have to flood the world with a very greatly increased supply of goods in order to meet her goal of a "high and stable level of employment and income."

Though no breakdown of this export target has been published, The Post understands that a geographical estimate would look something like this: to the United States, about $700 millions of exports (including gold); to Great Britain, about $600 millions; to Europe (exclusive of Russia), $200 millions; to other Empire countries $120 millions; to Latin America $40 millions; to Russia $45 millions; to China $30 millions. Some of these figures may vary widely in reality. Thus our sales to China may, for political or other reasons, be considerably above the estimate. Sales to Britain may, over a period be considerably less than now thought a desirable goal.

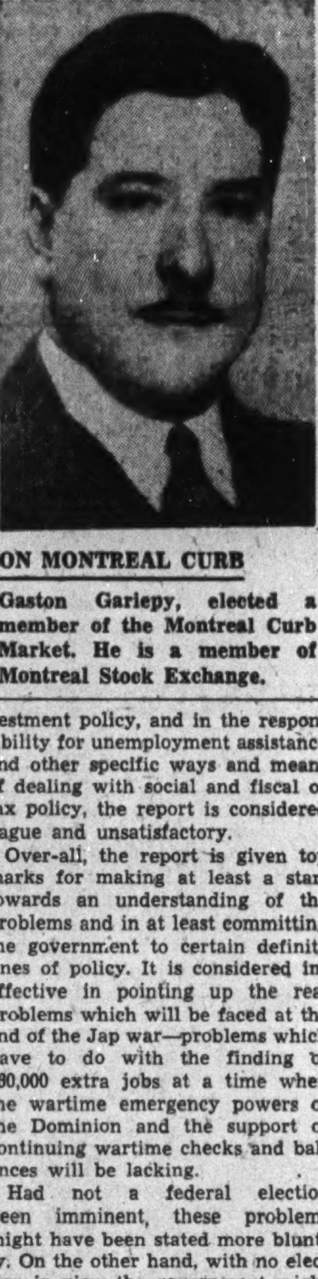
No attempt has been made in the paper to link "full" employment with any estimate of the national income, but the goal at which federal economists now set their sights, is roughly $7¼ billions for the income paid to individuals using current price levels. This is approximately 10% below 1944 and would represent what it is thought would be necessary and desirable to achieve the goal of "a high and stable level of employment and income." Such a figure would compare with national income on a comparable basis of about $3,950 millions in 1939, and about $5,850 millions in the fiscal year 1941-42, both figures being taken at the prices then current.

Glosses Over Difficulties

Major criticism of the report is its failure to put proper emphasis on the real difficulties which lie ahead in achieving the broad goals now outlined. In some cases (notably the importance of a federal-provincial settlement), these difficulties have been noted though far from adequately emphasized. In others, for instance in respect of public investment policy, and in the responsibility for unemployment assistance and other specific ways and means of dealing with social and fiscal or tax policy, the report is considered vague and unsatisfactory.

Over-all, the report is given top marks for making at least a start towards an understanding of the problems and in at least committing the government to certain definite lines of policy. It is considered ineffective in pointing up the real problems which will be faced at the end of the Jap war—problems which have to do with the finding of 960,000 extra jobs at a time when the wartime emergency powers of the Dominion and the support of continuing wartime checks and balances will be lacking.

Had not a federal election been imminent, these problems might have been stated more bluntly. On the other hand, with no election in view the government might have continued to shy away from any commitment such as it has now made.



ON MONTREAL CURB

Gaston Gariepy, elected a member of the Montreal Curb Market. He is a member of Montreal Stock Exchange.

BUSINESS THIS WEEK

THE FINANCIAL POST	Mar.	Feb.	Jan.	Dec.	Year Ago
•PRODUCTION INDEX (1)	232.5	236.0	240.3	242.0	263.5
GOVERNMENT FINANCE (millions of $)					
National income, D.B.S.	....	707.6	736.6	766.3	738.2
Dom. war expend.	....	235.8	237.5	365.3	233.7
Dom. total revenue	....	137.7	230.7	139.8	266.7
Dom. total expend.	....	275.5	308.9	732.0	347.6
MERCHANDISING					
•Dept. store sales index no. (1)	203.5	131.2	163.3	158.4	163.2
Retail sales index no.	....	146.8	143.1	237.4	139.0
Wholesale sales index no.	....	178.8	182.3	170.8	168.8
Country store (% change pr. yr.)	....	+3.4	+5.9	+6.7	....
FINANCE					
Dividend payment index (5)	136.7	133.3	130.0	129.0	127.9
Bank debits index (1)	....	....	192.7	171.5	171.6
•Bnak deposits index (1)	215.5	216.7	220.5	224.1	181.0
Money supply (millions) $	....	....	[illegible]075	6,168	5,615
NEWSPRINT % OF CAPACITY					
Production ratio	68.6	70.1	71.5	68.8	65.6
Shipment ratio	69.5	63.6	62.7	64.8	60.3
RAILWAY FREIGHT LOADINGS					
•Tons (D.B.S. index)	197.5	197.8	191.6	183.3	216.1
•Cars (D.B.S. index)	150.8	149.1	153.6	144.6	156.7
COST OF LIVING					
D.B.S. index	118.7	118.6	118.6	118.5	119.0
EMPLOYMENT INDEX, D.B.S.					
All industries	....	178.9	180.4	185.7	183.2
Manufacturing	....	215.0	212.7	220.1	227.3
Payrolls (June 1/41=100) (2)	....	....	138.1	152.1	140.4
Payrolls (1937=100) (2)	....	211	210	224	209

RAILWAYS—(000's omitted)	1945-44	1944-43	1945-44 Jan. 1 to date	1944-43 Jan. 1 to date	% Change
•Carloadings (week Apr. 21)	70.3	70.2	1,052.7	1,086.4	—3.1
•C.P.R. gross rev. (Apr. 21)	5,990	5,906	91,319	92,833	—1.7
C.N.R. gross rev. (Mar.)	37,046	37,858	100,843	104,828	—3.8
C.N.R. net rev. (Mar.)	7,738	8,120	14,678	18,692	—21.5
•C.P.R. gross revenue (Mar.)	26,383	27,120	73,632	74,848	—1.6
•C.P.R. net rev. (Mar.)	2,604	3,889	6,016	9,767	—38.4
IRON AND STEEL (000's omitted) (Feb.)					
Pig iron production (tons)	149.5	141.9	305.5	274.0	+11.5
Steel production (tons)	250.0	229.9	519.2	472.0	+10.0
CONSTRUCTION (000's omitted)					
Contracts awarded (Mar.) $	19,651	31,019	44,306	56,031	—20.8
•Building permits (Mar.) $	12,421	7,102	25,037	17,389	+44.0
Cement prod., bbls. (Jan.)	172.0	176.2	......	......	....
AGRICULTURE (000's omitted)					
Flour prod., bbls., (Feb.)	1,892	2,088	3,960	4,129	—4.1
Flour exp., bbls. (Feb.)	1,032	854	1,872	1,979	—5.9
Wheat exp., bush. (Feb.)	7,356	20,811	12,519	38,084	—67.1
Cattle sales (Mar.) (4)	125.4	96.8	425.1	303.1	+40.2
Hog sales (Mar.) (4)	553.6	1,025.6	1,966.1	2,821.6	—30.3
SEA FISHERIES (000's omitted)					
Catch, cwts. (Dec.)	518	736	11,030	11,726	—6.0
Landed value (Dec.) $	1,802	1,803	41,636	36,951	+12.7
NEWSPRINT (000's omitted)					
•Production, tons (Mar.)	264	252	768	735	+4.5
Exports, tons (Mar.)	267	232	716	669	+7.0
MINING AND OILS (000's omitted)					
Coal prod., tons (Feb.)	1,498	1,455	3,179	3,081	+3.2
•Gold rec. (fine oz.) (Mar.)	212	266	653	762	—14.3
Petroleum prod. (brl.) (Jan.)	881.8	837.4	......	......	....
ELECTRICAL POWER OUTPUT (000,000's omitted)					
•Total monthly kw.h.	3,587	3,515	10,133	10,342	—2.2
FOREIGN TRADE (thousand $)					
Imports (Feb.)	112,373	138,370	242,058	264,739	—8.6
Exports (Mar.)	301,175	282,682	768,037	751,862	+2.1
FINANCE (millions $1)					
•Bank debits (Mar.)	5,329	4,434	14,833	13,494	+9.9
Bond sales (Feb.)	188	123	381	254	+50.0
•Life insurance sales (Mar.)	54,413	55,123	152,127	165,335	+8.7
OTHER INDUSTRIAL FACTORS (000,000's omitted)					
Shoe prod., pr. (Feb.)	3.1	3.0	6.0	5.7	+5.1
•Cotton consump., lb. (Mar.)	15.0	13.5	41.6	43.2	—3.7
•Cigarette cons. No. (Mar.)	1,088	1,049	3,338	3,022	+10.4

(1) Base period 1935-39=100
(2) All industries
•New items for week
(3) Bank of Commerce est.
(4) Total at yards and plants.
(5) Nesbitt, Thomson, est.

Samuel Weston BC Hydro Head

Three-man Rural Electric Board, $10 Millions Fund in Operation Soon

VANCOUVER—British Columbia has appointed a three-man board to carry out its rural electrification program with an appropriation of $10 millions to work with, and in a few weeks it will proceed to take over various public utility operations to be combined with a provincially operated system.

Samuel R. Weston is the chairman of the board, with Forrest L. Shaw and Major General W. W. Foster as members. Mr. Weston was chief engineer of the British Columbia public utilities commission. Mr. Shaw was city solicitor for the city of Victoria, and Major General Foster, chief of police in Vancouver before returning to military service in the present war, recently has been commissioner for defense projects in northwest Canada.

Mr. Weston will receive a salary of $10,000, the same as received by Dr. W. A. Carrothers, chairman of the public utilities commission, and the highest paid by the provincial government. The other two members will receive $8,000 a year.

Premier John Hart says that the commission will require the approval of the Government only on major issues. It will have a free hand to carry out its work, operating like a private company except that it will be financed by the Government.

Sask. Labor Bd. Finds for Union

From Our Own Correspondent

REGINA—First decisions of the Saskatchewan labor relations board (which administers the Saskatchewan Trade Union Act) with regard to reinstatement of dismissed employees, are going against the employers.

Three such decisions have been made by the board in recent days, and all went against the employers, two hotels and a restaurant, all in Regina. Each dismissed an employee on grounds that they were unsatisfactory. The Hotel and Restaurant Employees Union appealed to the board against the dismissals, claiming that they were because of union activity, contrary to the Trade Union Act.

Lengthy hearings brought Board orders for reinstatement. All employers have carried out the orders.

BOOST BOND BUYING

P. E. I. & Newfoundland Again Linked by Ferry

From Our Own Correspondent

CHARLOTTETOWN—A regular freight service will be operated between Prince Edward Island and Newfoundland this summer, it was announced by Premier J. Walter Jones in the Provincial Legislature this week. The services of the 1,000-ton S.S. John Cabot have been procured, and the boat will be operated on a regular schedule between Charlottetown and Saint John's, commencing early in May.

The schedule allows for a trip every three weeks, and the steamer will bunker at Sydney, N.S., on each return trip. The subsidy for the season will be approximately $50,000, which emphasizes the importance of the service to the province, as the highest subsidy heretofore paid for this run was $17,500. The boat is now being fitted with stalls and other facilities for the proper handling of cattle, and will be equipped as well to handle all types of agricultural products.

SHARES TAKEN UP

Pacalta Oils Co. has advised the Toronto Stock Exchange that payment has been received covering the April 14 option installment, comprising 50,000 shares under April 10, 1944, agreement with J. H. Gilbert. Balance of agreement comprises an option on 1,175,000 shares. Issued capital is 1,425,005 shares.

HOMES similar to this will be popular when postwar building starts . . . and many of them will be financed by Victory Loan savings. If you plan to move into one of these streamlined dwellings, make an effort to buy an extra Victory Bond during the 8th Victory Loan. This investment will help you in two ways. First, it will give you a larger nest egg with which to furnish your new home. Second, each extra Bond you buy will help to bring "moving-in day" closer.

Right now, while you are thinking about improvements, investigate Moduflow, the automatic heat control system of the future. Moduflow keeps living rooms at 72, bedrooms at 68, nursery at 76, garage at 50 and saves fuel into the bargain. Our booklet, "Heating and Airconditioning the Postwar Home" tells the story of Moduflow and is free to home planners.

While you are awaiting the booklet, take the first and important step towards your future home . . . Invest in the Best . . . buy an extra Victory Bond.

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Invest in the Best
BUY VICTORY BONDS

is this YOUR problem?

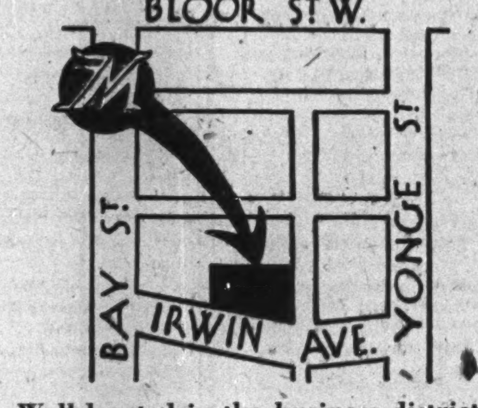
It used to be easy to keep constant personal contact with dealers and distributors . . . But today, rigid motoring restrictions have altered the visiting schedule of many a sales or head office representative. Especially is this true in the small villages and scattered rural areas of Canada.

If this is YOUR problem, Mr. Business Man, how are you meeting it? If you cannot keep salesmen on the road, why not adjust your sales plans to fit today's needs? As far as Canada's rural areas are concerned, your best contact has always been through the Family Herald and Weekly Star—the magazine that calls regularly on Canada's largest farm audience . . . With the Family Herald your product is "on the road" every week without interruption, calling on more than 300,000 homes from coast to coast.

Ask your advertising agency to tell you more about the Family Herald and Weekly Star or write for a sample copy.

Family Herald and Weekly Star
CANADA'S NATIONAL FARM MAGAZINE
MONTREAL CANADA

Mutual Auto Service Convenient For Downtown Business Men



Well located in the business district, the depot is easy of access

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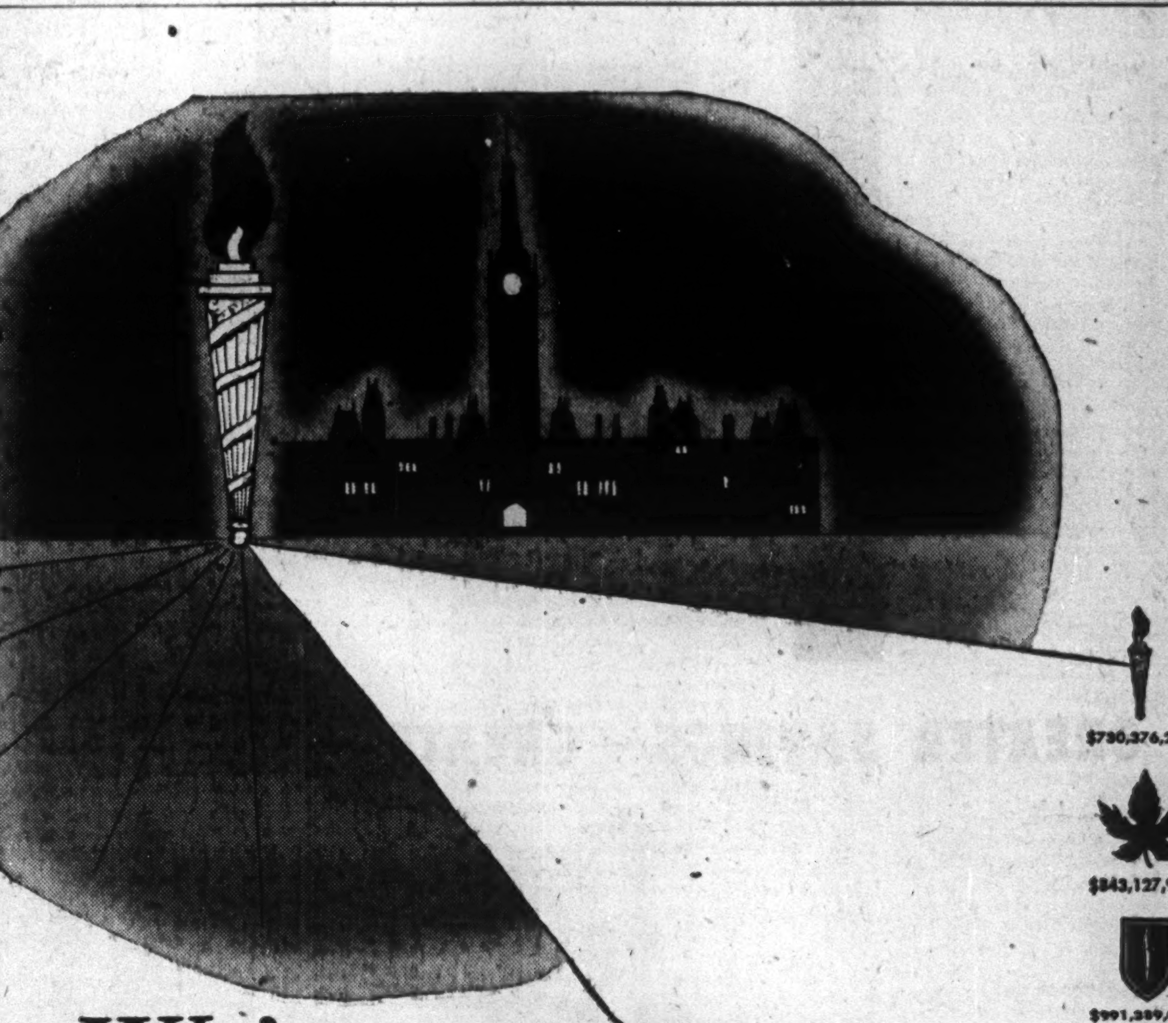


We've come a long way... *Together*

Each successive Victory Loan has brought us nearer and nearer the successful completion of that mighty task to which we set our hands over five and a half years ago—the liberation of a world threatened with domination by men whose names and creeds are synonymous with evil. And now to advance still further along that road to victory. The Eighth Victory Loan is the signal for another attack on the enemy stronghold. Put everything you have behind it. Buy the new Bonds to the limit of your ability. Buy them every way you can—outright, or through your employer on a regular payroll savings plan. Let's all go a little bit further . . . together . . . toward Victory.

Invest in the Best... Buy
VICTORY BONDS

Wear this lapel badge with pride. It is the symbol of Canada's 8th Victory Loan. It signifies that you, as a private individual, have hurled another weapon at the enemy.

Metropolitan Life Insurance Company
(A MUTUAL COMPANY)
FREDERICK H. ECKER, Chairman of the Board — NEW YORK — LEROY A. LINCOLN, President
CANADIAN HEAD OFFICE: OTTAWA

IN YOUR OPINION

U. S. Of Europe For Peace?

The Question: For lasting European Peace would you favor forming a Federal United States of Europe? Could it be achieved?

Jan Alszar
Assistant Editor, Polish Weekly Czas, Winnipeg.

I would favor creating a federated United States of Europe providing each nation would be allowed to develop itself within its boundaries. Properly united into a federation of mutual understanding, it would have the strength and elasticity of a steel cable which would be indestructible under any strain. It could now be achieved because the smaller peoples have realized in this war how helpless they are, when confronted by any single big power. One thought should unite or rather bind them together and that is the earnest desire to spare humanity from the suffering of another war, great or small.

* * *

Dr. R. Brauer
Professor of Mathematics, University of Toronto.

As a guiding principle for European politics I favor the idea of the United States of Europe. I believe such a system would form the best guarantee for a lasting peace. However, I don't think that the United States could be achieved within the near future. A long period of preparation is needed. The economic problems must be explored thoroughly and a balance between the rights of the nations has to be found. Education aiming at better relations between the people is a prerequisite. If all energies are concentrated then the United States of Europe may come true at last.

* * *

E. G. Dentay
President, Fine Chemicals Co., Toronto.

A United States of Europe as a free trading, economic union granting local autonomy to its members would have been the ideal solution after the first world war and should be the alternate goal at present. Russia's inclusion would result in a top heavy structure that could not stand up and yet Russia's exclusion is unthinkable. She would successfully resist such a union and generally could not be included with feeling rising high in the wake of Nazi atrocities. Most European countries are in a state of flux and in many cases not even a form of responsible government could emerge. Rebuild and pacify Europe first and then start working on union.

* * *

Dr. Karl Helleiner
Professor, Political Economy, University of Toronto.

Should Great Britain with her overseas dependencies be included in a United States of Europe? Would Russia with her Asiatic empire form part of it? Merely to ask these questions should reveal the utopian nature of any such scheme. It is doubtful whether even the smaller nations would agree to surrender part of their sovereignty the two "giants" certainly would refuse to do so. The formation of a United States of Europe without Britain and Russia might help overcome minor European frictions; it would contribute very little to the maintenance of peace among the world powers; indeed it might conceivably make it even more precarious.

* * *

Philippe Herzan
Radio representative, Toronto.

I favor forming the United States of Europe. A successful federation of European states would be the greatest contribution toward world peace, but I doubt whether a United States of Europe would succeed because, first, too many differences exist in culture, tongue and political organization between many countries. Second, and most important, centuries-old historical hatreds, insurmountable antagonism and jealousies preclude co-operation one with the other. Only a long and patient education of the European people could reach at this aim, creation of the United States of Europe.

* * *

Dr. Leopold Infeld
Professor, Mathematics, University of Toronto.

The plan for a federal United States of Europe now can be approved only by those who, in idle words, escape from reality or wish to cover their hopes of new friction and struggle by idealistic sounding phrases. No federation can embrace Franco's Spain, Germany prostrated in the blood of its crimes, democratic England, and the Socialist Unions of Soviet Republics. Federated Europe can only be born when national hatred and rivalry are dead and the people live in freedom and democracy. It can arise only as an intermediate step toward the ultimate goal—one federated world.

* * *

Walter Kanitz
Toy Manufacturer, Port Credit.

Considering the economical, political and ideological reasons leading to World Wars I and II, I am afraid forming a Federal United States of Europe will be impossible at present. It will be, however, compulsory to create a system of economic co-operation among the European nations in order to ensure equal prosperity and economic security through the continent. Once this foundation is laid the forming of a U. S. of E. might be realizable through re-education of certain nations and special measures dealing with German war-minded castes will be necessary.

* * *

Leon J. Koerner
President, Alaska Pine Ltd., New Westminster, B.C.

I feel absolutely incompetent to answer your questions. The most outstanding statesmen of all nations knowing all the events of the past and with full understanding of the present world situation are assembled in San Francisco to decide on the future of Europe and the world. I am entirely confident they will reach decisions securing the peace of Europe and of the world for many generations to come on a sound political and economical basis.

* * *

Prof. Rolf Loehrich
McMaster University, Hamilton.

I favor forming a Federal United States of Europe. Though the European states are not willing or prepared to form a unity it has to be forced upon them and safeguarded with military pressure. This can be done only by Russia, England or America. If organized by these powers the Federal United States of Europe would form different blocks reflecting the political relationships between the powers. If organized by England it would form a non-autonomous southern and western European bloc connected with the Empire. If organized by Russia, it would form part of one autonomous Euro-Asia bloc. In each case peace in Europe will primarily depend on a satisfactory agreement between the three powers.

* * *

K. L. Markon
General Manager, Wool Combing Corp. of Canada Ltd., Toronto.

Formation of a federal United States of Europe is desirable if equal rights of members large and small are guaranteed to develop their culture and economy without outside interference. However, under present conditions in Europe providing for spheres of influence for big powers and independence of small nations within, federation appears to be endangered to the point of complete extinction. Regional federation may be a temporary solution leading to a pan-European federation as the ultimate objective. This objective could be achieved as soon as moral and physical assets destroyed by war are restored and as soon as all nations concerned, irrespective of size, realize that they must equally sacrifice certain sovereign rights for the common benefit. Otherwise, a federal United States of Europe will be nothing else but a new dictatorship and would therefore not constitute a positive factor in maintaining peaceful international relations.

* * *

John S. Pazdor
Editor, Gazeta Polska, Winnipeg.

I would favor forming a federal United States of Europe as a promoter of economic progress making possible more balance between agriculture and industry. Mutual understanding and closer co-operation would serve the preservation of peace. Political frontiers would lose their sinister significance and importance they have had in the past. Such a federation was the suggestion and dream of the late General Sikorsiki. It could be achieved with goodwill and submission to the will of another, having for its basis complete equality among nations without any predomination—also if Russia could be persuaded to understand it is in her own interest as an element of European stabilization and as a protection against further German aggression.

* * *

F. V. Von Pilis
Bokar Farm, Whitby, Ont.

A federate United States of Europe would probably ensure peace within Europe. Apparently it can be achieved as Joseph Stalin at present is achieving it. However, peace in Europe by no means is synonymous with world peace, as the centres of power today lie without Europe. Unless the great powers of the world can agree to invest part of their sovereign rights in some form of political superstructure, the evolution towards unification of the world will go the path of war.

* * *

Richard Redler
Economist, author and speaker, Montreal.

Europe covers hardly four per cent of the world's surface and maintains one fifth of the world's population. Shrinking in dimensions because of age, the old continent has become too small to continue to allow antagonistic economic policies of some thirty odd sovereign states. Yet the continent is too integrated to be sliced into two spheres of influence by the two remaining world powers. Interdependence between the agriculture of east and south and the industrial west is such that no dividing line can be drawn without disastrous consequences to either of the separated zones. Thus to the economist there appears no alternative to an autonomous federated Europe as the long-range aim of Allied peace policies.

* * *

Andre Rosinger
Engineer, Montreal.

A federal United States of Europe based on political and economic democracy in component states under the spiritual leadership of France and Czechoslovakia is the historic solution for a lasting European peace but cannot be implemented at the present time due to the fragile state of broad minded collaboration between the three powers. Influential forces in the United States don't want a federated Europe because they fear the gravity centre of production and science would move again to Europe. Influential forces in Great Britain are still convinced a divided Europe better serves their purposes. Influential sources in the Soviet Union are afraid a federated Europe can be transformed into an antisoviet coalition. Only decades of the Dumbarton Oaks spirit and practice can solve the question.

* * *

G. R. Treviranus
Author, Toronto.

If Europe is to survive as a cultural entity, likewise important for the British Empire as for the Americas, it has to federate in politics and economics.

Since industry surpassed rural economy for good, political borders of historic growth have outlived security purposes. Without freedom of movement for trade and labor, freedom of faith and language throughout Europe for the nationalities of any creed and color the prostrate people in the scarred lands will be doomed to cancer.

The decision for their fate is in the hands of the victors of today. It is for the first time in European history that no European country has the power to contradict their terms. Winston Churchill's idea of the Council for Europe gives an outline: One vote for each state of minimum size, to be approved later by plebiscite in historic communities, a Charter of Europe to guarantee and restrict state rights and individual liberties on a common basis for all natives, a qualified vote for amendments of the Charter.

* * *

Joseph Oberhoffner
Editor, Der Courier, Regina.

Europe exemplifies a mixture of racial, national and language groups having diverse customs, traditions and historical aspirations which militate against a practical and peaceful United States of Europe. When comparing Europe with the U. S. A., note that the latter was the melting pot of various peoples individually, whereas in Europe it is groups of people with which we are concerned, having no common bonds with each other. A federation could be imposed, but it would not bring lasting peace and furthermore, Russia would likely interfere with the membership of the eastern buffer states in such a union.

Consol. Paper Plans Outlays

MONTREAL (Staff) — Greater diversification of production is essential for pulp and paper companies, and Consolidated Paper Corp. has been making extensive studies in this direction, with definite plans awaiting clarification of such questions as international trade relations, costs of wood, labor, material, taxes, L. J. Belnap, Consolidated Paper's president, stated at the company's annual meeting.

It was important, said Mr. Belnap, that the Government indicate future tax policies, as no company can go ahead with projects to supply maximum amount of employment, make capital expenditures and develop new products, without some idea of future and past tax liabilities.

As regards 1945 prospects, Mr. Belnap looked for higher production than in 1944, if wood deliveries to the mills reach expectations.

Reviewing developments between 1939 and 1944, Mr. Belnap said labor costs per ton of pulp and paper products have increased 35%, raw material costs up 58%, while selling prices have increased an average of 28%.

Consolidated Paper's funded debt as of March 1, 1945, was reported at $42,220,280. Hearst indebtedness has been reduced to $521,475 from original amount of $1,336,388.

During the first quarter of this year, Consolidated Paper made commitments for urgent capital expenditures to amount of $2 millions, with further outlays to follow if machinery and equipment can be procured. Mr. Belnap noted that present working capital includes an accumulation of funds to be used to take care of deferred capital expenditures.

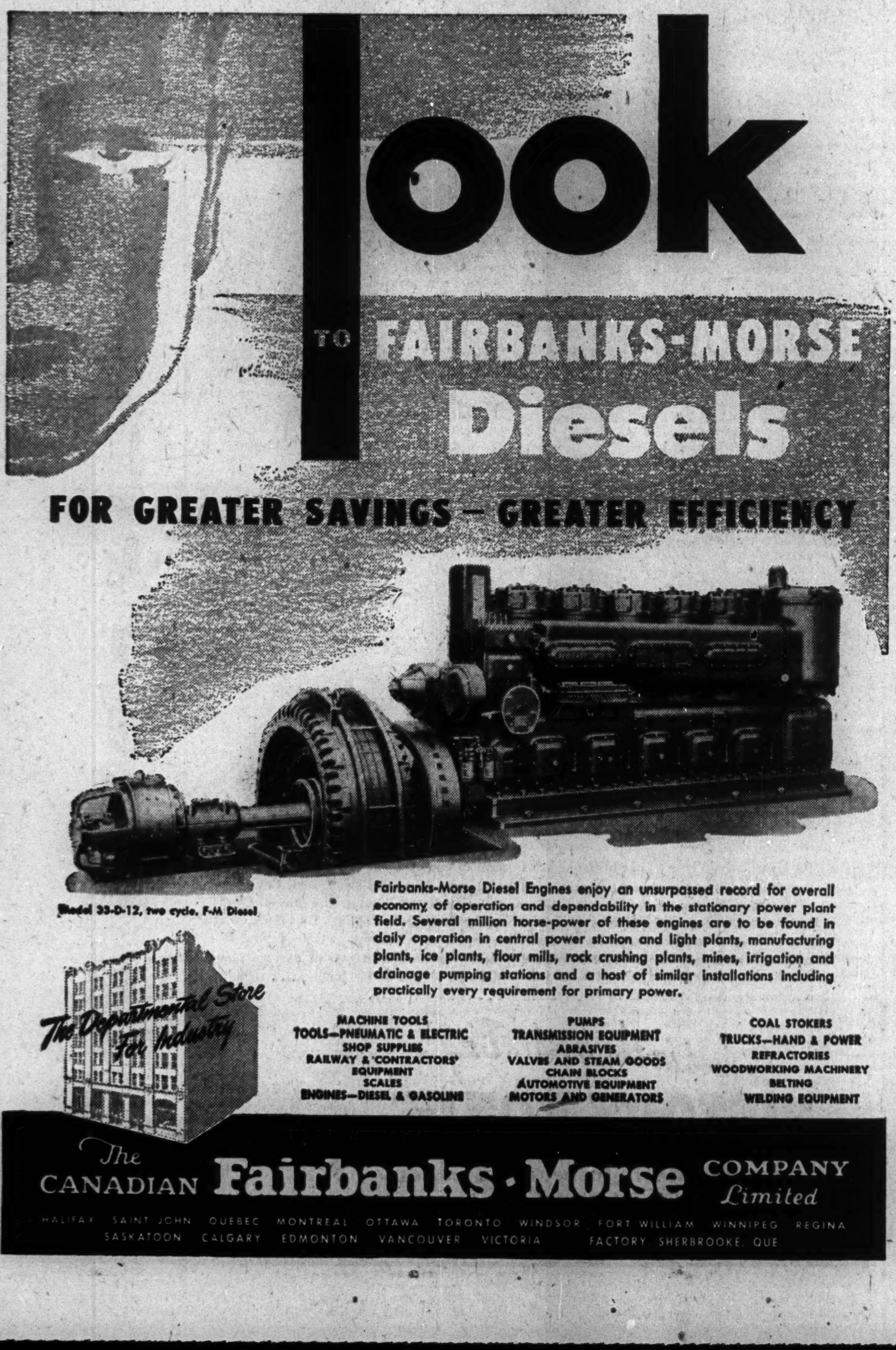
North. Ontario Power Sale "Was Necessary"

MONTREAL (Staff)—Canada Northern Power Corp., in recent sale of the physical properties of its subsidiary, Northern Ontario Power, to the Ontario Hydro, received in payment considerably less than the net values at which these assets had been carried in the company's books, A. J. Nesbitt, president of Canada Northern, stated at the company's annual meeting.

The sale was considered necessary, however, explained Mr. Nesbitt, as the tax-exempt Ontario Hydro had cut rates, and it would have been necessary for Canada Northern to meet this rate reduction. Also, Ontario Hydro had taken over the Hollinger contract. From these two developments alone, it was stated, Canada Northern was faced with a reduction of $1,150,000 in the current year's earnings.

The $12.5 millions of Ontario Hydro bonds received in the Northern Ontario Power deal had been sold, and the proceeds set aside for retirement of the subsidiary's preferred stock and for redemption of the parent company's bonds. The subsidiary preferred stock was redeemed on March 31; the parent company's bonds are being redeemed June 1 in U. S. funds.

Silverwood Dairies Ltd. announces that the balance of 6,500 common shares under option under the Management Trust Plan have been taken up and the shares have been issued to the Silverwood Management Trust. Issued capital is 280,337 common shares and 120,000 preferred shares.



CANADIAN SHIPBUILDING & ENGINEERING LIMITED
and its Subsidiary Companies

DIRECTORS

R. M. Wolvin, Montreal — John S. Leitch, Collingwood
G. E. D. Greene, Agincourt — J. F. M. Stewart, Toronto
Alexander Johnston, Ottawa

TO THE SHAREHOLDERS:

Your Directors submit the Company's Annual Report and Statement of Accounts as at December 31, 1944.

After all charges, provision for depreciation, etcetera, there was a net profit before income and excess profits taxes of $2,009,844.73.

After making provision for Dominion Income and Excess Profits taxes in amount of $1,543,801.68 the net income for the year, excluding Refundable Tax of $241,600.00, was $466,043.05.

During the year dividends were declared in a total amount of $109,200.00.

The Company properties have been maintained in sound physical condition, and show in the Balance Sheet, after depreciation, a value of $2,379,654.64. For the purpose of providing a proper basis for Fire Insurance, etc., these properties were appraised in May, 1944, by Dominion Appraisal Company, who value your Plants, on basic replacement basis, as at that time and to have a depreciated present day value of $8,758,363.39.

Your properties are working to capacity subject only to the manpower available, and are engaged on contracts that will keep them fully employed for deliveries up to the close of navigation on the Great Lakes in 1945.

We have some small balance of contracts that will carry over for delivery in 1946, and we anticipate that there will be additional business to provide full operation during the year 1946.

Your Directors desire to record their appreciation of the loyal and efficient services of the Company's officers and employees.

Respectfully submitted,
R. M. WOLVIN,
President.

Toronto, Ontario, April 5th, 1945.

CONSOLIDATED BALANCE SHEET
as of December 31st, 1944

ASSETS

Current Assets:		
Cash in banks, on hand and in transit		$ 1,176,539.14
Dominion of Canada bonds at cost (quoted value $596,200.00)		594,400.00
Accounts receivable:		
Trade (less reserve $18,600.00)	$ 423,803.29	
Due in respect of war contracts	2,359,598.25	2,783,401.54
Due from employees on purchases of Victory bonds (secured)		140,379.13
Inventories (book value as determined and certified to by the management):		
Ship construction in progress	$ 9,162,151.77	
Other work in progress	702,824.60	
Stores and supplies	531,482.31	10,396,458.68
		$15,091,178.49
Deduct Progress instalments claimed		10,483,100.22
		$ 4,608,078.27
Prepaid insurance premiums, etc.		48,048.13
Investment in shares of other companies, at cost (quoted value $243,676.00)		201,939.00
Post-war refund of excess profits tax—estimated, per contra		519,600.00
Fixed Assets:		
Plant, property and equipment	$ 6,511,638.82	
Less Reserve for depreciation	4,131,984.18	$ 2,379,654.64
(Note: The fixed assets are included above on the basis of an appraisal by the Canadian Appraisal Company Limited, under date of February 5, 1920, and valuations made by the Directors as of December 21, 1939, plus subsequent additions at cost.)		
Organization expense		2,708.91
		$ 7,760,028.95

LIABILITIES

Current Liabilities:		
Due to bank (secured)		$ 173,421.30
Accounts payable		996,642.04
Accrued wages and expenses		126,878.72
Dividends payable		57,200.00
Reserve for Dominion income and excess profits taxes (estimated)		1,159,577.55
		$ 2,513,719.61
Minority shareholders' interest in capital stock and surplus of subsidiary company		10,727.69
Capital Stock:		
Authorized and issued:		
52,000 Class "A" shares and 208,000 Class "B" shares all without nominal or par value		1,300,000.00
(Note: The supplementary letters patent of the company dated October 10, 1944, provide in effect that the Class "A" shares are entitled to a cumulative preferential dividend at the rate af 60c per share per annum and are not entitled to receive any dividends in excess of such cumulative preferential dividend, and that in the event of liquidation, dissolution or winding up of the company the holders of Class "A" shares are first entitled to receive any unpaid preferential dividends and thereafter the holders of Class "A" and Class "B" shares share equally, share for share, in all distributions of assets of the company.)		
Surplus:		
Deferred surplus represented by post-war refund of excess profits tax, per contra	$ 519,600.00	
Surplus arising from reduction in par value of common shares of a subsidiary company	30,519.36	
Earned surplus	2,521,000.29	
	$ 3,071,119.65	
Deduct Minority shareholders' interest in surplus of a subsidiary company	5,452.94	3,065,666.71
Excess of book value of investments in subsidiary companies over the cost of the investments		869,914.94
		$ 7,760,028.95

Signed on behalf of the Board: R. M. Wolvin, *Director.* G. E. D. Greene, *Director.*

AUDITORS' REPORT TO THE SHAREHOLDERS

We have examined the accounts of Canadian Shipbuilding & Engineering, Limited (previously known as Kingston Shipbuilding Company Limited) and its subsidiary companies, The Collingwood Shipyards Limited, Port Arthur Shipbuilding Company Limited and Midland Shipyards Limited for the year ended December 31, 1944, and in accordance with the provisions of the Companies Act (Dominion) we have to report that we obtained all the information and explanations we have required and that, in our opinion, the appended consolidated balance sheet as of December 31, 1944, is properly drawn up so as to exhibit a true and correct view of the state of the companies' affairs on a consolidated basis, as of December 31, 1944, according to the best of our information and the explanations given to us and as shown by the books of the companies.

PEAT, MARWICK, MITCHELL & CO.,
Auditors.

STATEMENT OF CONSOLIDATED PROFIT AND LOSS SURPLUS
for the year ended December 31, 1944

Operating Profit before depreciation		$ 2,669,461.30
Add Interest earned on investments		5,417.83
		$ 2,674,879.13
Deduct:		
Directors' fees	$ 11,000.00	
Executive salaries	94,824.88	
Legal fees	5,912.34	
Depreciation	553,297.18	665,034.40
Net Profit before provision for Dominion income and excess profits taxes		$ 2,009,844.73
Provision for Dominion income and excess profits taxes—estimated—before deducting post-war refund of excess profits tax		1,543,801.68
Net Income for the year, ended December 31, 1944, excluding post-war refund of excess profits tax		$ 466,043.05
Earned Surplus at December 31, 1943		2,081,422.94
Add:		
Adjustments of prior years due to renegotiation of war contracts, etc.	$ 87,571.97	
Less Income and excess profits taxes applicable thereto (estimated)	84,837.67	
	$ 2,734.30	
Transfer of reserve for retirement allowances	80,000.00	82,734.30
		$ 2,630,200.29
Deduct Dividends declared:		
Common shares prior to change in capital stock	$ 52,000.00	
Class "A" shares	15,600.00	
Class "B" shares	41,600.00	109,200.00
Earned Surplus at December 31, 1944		$ 2,521,000.29

STATEMENT OF CONSOLIDATED DEFERRED SURPLUS

Amount at December 31, 1943	$ 260,200.00
Add	
Estimated adjustments applicable to prior years due to renegotiation of war contracts	17,800.00
Estimated post-war refund of excess profits tax for the year ended December 31, 1944	241,600.00
Amount at December 31, 1944	$ 519,600.00

J. P. LANGLEY & CO.
C. P. ROBERTS, F.C.A.
CHARTERED ACCOUNTANTS
TORONTO
Branch KIRKLAND LAKE ONTARIO

Industrial and Management Consultants
DUFRESNE, McLAGAN
AND ASSOCIATES, REGISTERED
HA. 9000 BANK OF NOVA SCOTIA BUILDING, MONTREAL

IN THE MATTER OF THE ESTATE OF WILLIAM J. McKEE SALE BY TENDER OF MORTGAGES AND REALTY, Etc.

Tenders are invited for all the following assets of the said Estate which are offered for sale by tender in one block under authority of an Order of the Supreme Court of Ontario for the purpose of winding up the Estate and distributing the proceeds amongst Creditors. The assets consist of:—

46 FIRST MORTGAGES on the security of dwellings, duplexes, stores, apartments, etc., in the City of Windsor, Ontario.

1 AGREEMENT FOR SALE on the security of a dwelling, City of Windsor.

The total of balances owing for principal under the above Mortgages and Agreement for Sale is approximately $112,000.00

REAL ESTATE comprises one 4-family cement block terrace, City of Windsor.

MISCELLANEOUS ASSETS of no particular value.

Complete detailed information respecting such assets and the conditions of sale will be furnished by the undersigned upon request.

Tenders are called for the purchase of the above assets, to be filed with the undersigned on or before the 15th of May, 1945.

As of the 30th of April, 1945, the assets then remaining and the balances then owing upon the Mortgages and Agreement will be fixed for the determination of the sale and conveyance. The sale is to be completed on or before the 30th of June, 1945.

TERMS—A certified cheque for 5% of the amount of the tender shall accompany the tender and the balance of tender shall be paid in full on completion of the sale and conveyancing.

The highest tender or any tender will not necessarily be accepted.

THE TORONTO GENERAL TRUSTS CORPORATION,
Receiver and Manager of the Estate of
William Johnson McKee, Deceased.
347 Ouellette Avenue,
Windsor, Ontario.

DATED April 3rd, 1945.

O'DONNELL-MACKIE LIMITED
Manufacturers of
PRECISION AIRCRAFT PARTS
INDUSTRIAL VALVES & FITTINGS
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"THE LARGEST EXCLUSIVE HEALTH AND ACCIDENT COMPANY IN THE WORLD"

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FOR PRESENT AND POSTWAR NEEDS
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Established 1911. J. A. HEARN, Managing Director.

NEWFOUNDLAND NEWSLETTER

Dosco May Reopen Mine Idle Since December, '43

The Financial Post presents a seventh monthly report on political and economic conditions in Newfoundland. Because of its greatly enhanced strategic and economic importance, the Island's destinies affect Canadian trade and external relations more intimately than ever before. These regular reports are written for The Post by a Newfoundland journalist.

Hope that Dosco's No. 4 mine on Bell Island—not operated since December, 1943—will be working by May 1, is expressed by C. B. Archibald, general manager at Wabana. This would provide employment for 200 to 300 men and jack the weekly payroll up to $40,000.

The Wabana Mines, site of the largest ore deposits in the British Empire, are operated by the Dominion Steel & Coal Corp.

Nos. 3 and 6 have been operating on a full-time basis and will continue so. Scarcity of materials has been holding up the re-operation of No. 4 mine. When these arrive and the shipping of ore is resumed, it is expected that the busiest summer season since the war will be recorded at Bell Island.

* * *

Aid Labrador Fisheries

The Government-sponsored fishing enterprise in northern Labrador will be further aided this year by the supply of 22 fishing boats built to order in Newfoundland yards during the past winter. In addition two motor boats have been built for the Eskimo fishermen of that northern region.

When navigation reopens these boats will be sent north, along with quantities of salt to augment the 1,500 hogsheads already on the coast. The fishermen—foremen who served last season in the capacity of instructors will again be engaged.

Reports indicate that the Government's rehabilitation work among the 4,000 people in the Nain-Hebron, supervised locally by Newfoundland Rangers and post managers at former H.B.C. stations, is proving a boon to the entire area, with generally improved conditions in the fishing industry considerably aiding the Government's undertaking.

* * *

Grand Banks Fleet Smaller

Fishing on the Grand Banks of Newfoundland is being prosecuted this season on about the same scale as last year, when 109 vessels accounted for a total of 102,727 quintals of codfish. With prices stabilized and a good voyage in prospect it is expected that the crew members will average between $1,000 and $4,000 each as was the case last year.

The "banker" fleet, however, is much smaller than in former years, due to the difficulty of replacement and to the diversion of many of the vessels to the coasting trade when the going got tough on the Grand Banks in the pre-war years. Five bankers sailed out of Grand Bank, the centre of the deep-sea fishery, three from Fortune, five from Harbour Buffett, and the balance from other points along the south coast.

Protests Worker Exodus

At a time when representatives of both U. S. War Foods Administration and Dominion Rubber Co., Kitchener, were in Newfoundland seeking more workers for their respective projects, the Grand Lodge of the Orange Order, in annual session at Bonavista passed a resolution vigorously protesting the "exportation of our country's greatest potentiality, its young man and womanhood, because of lack of employment in their homeland" and issued a challange to "the patriotism of Newfoundland" in providing "an aggressive, daring policy and concerted action to render this exodus unnecessary."

* * *

Canadian Post Changes Hands

Departure of R. P. Bower, Canadian Trade Commisioner in Newfoundland since 1942, for his new post in England was marked by striking tributes in the press and from the trade in St. John's. Very popular with the Newfoundland business colony, "Dick" Bower was credited with doing a fine job—it was generally felt he had the interests of Newfoundland at heart. The Board of Trade feted him in a farewell ceremony highlighted by presentation of a silver fox fur.

Welcomed was the new Canadian Trade Commissioner in Newfoundland, A. J. Britton, former Secretary of the Canadian High Commissioner in Newfoundland. Knowing Newfoundland's trade problems from the vantage point of the High Commissioner's office, Mr. Britton was regarded as well equipped to carry on Mr. Bower's work.

* * *

Beriau Organizes Handicrafts

Newfoundland has a new director of Handicraft Industries. He is Oscar Beriau of Quebec, brought to Newfoundland on a two-year contract to co-ordinate cottage industries and the work of the Jubilee Guilds, Nonia, and the Department of Education, Adult Division.

Long experience in handicraft work in Quebec fits Mr. Beriau for his new work in Newfoundland where a vast organizational job is required to bring fullest advantage to the various cottage industries.

In hundreds of settlements men and women are engaged sporadically in homecraft enterprises, but until now there has been no central bureau through which this material could be marketed. The Grenfell Mission through its Industrial Department has made the best effort, hundreds of women and hospital patients being employed in making souvenirs and rugs.

There is a local market for this material now that the country has a great influx of wartime visitors. In one season the Grenfell Mission sold $40,000 work of locally made products at Goose Bay. Previously the Mission exported all its handicraft output.

Sask. Phone Workers Get New Agreements

From Our Own Correspondent

REGINA—The union shop and the check-off are provided in an agreement signed by the Saskatchewan Government telephones department and the United Telephone Workers of Canada, a Canadian Congress of Labor affiliate. Between 850 and 900 employees are effected.

Also provided for are wage increases, leave of absence for union business, grievance procedure, seniority, safety and health, sick leave and three weeks' holidays. War veterans' seniority is safeguarded.

Public Utility Earnings

Brazilian Traction, Light & Power

March:	1945 $	1944 $	Inc. %
Gross earns. ..	$5,084,258	$4,719,009	7.7
Oper. exp.	2,619,601	2,294,460	14.2
Net earns.	2,464,657	2,424,549	1.6
Three Months Ended Mar. 31:			
Gross earns.	14,890,017	13,714,082	8.6
Oper. exp.	7,576,283	6,691,074	1.3
Net earns.*	7,313,734	7,023,008	4.1

*Before deprec. and amort.

Operating results are shown in dollars and taken at average rates of exchange. All figures will be subject to final adjustment when the annual accounts are made up.

BUY VICTORY BONDS
MAKE VICTORY STICK

L.D.Currie Hopeful On N.S. Coal Sales

Meeting of Provincial Mining Ministers Leading to Wider Markets

From Our Own Correspondent

HALIFAX—Hon. L. D. Currie, K.C., Provincial Minister of Mines, returned from the recent meeting of provincial mines ministers at Quebec, convinced that major obstacles in the way of new Nova Scotia coal markets in Ontario and Quebec were in the process of solution.

"The agreement of the Ontario and Quebec ministers that we must have a national fuel policy was a long step in the right direction," the Hon. Mr. Currie declared. The mines ministers conference did a good deal to iron out interprovincial problems on the marketing of Nova Scotia coal, and further talks when the ministers meet again at Winnipeg in September will see further agreements, he informed The Financial Post.

Mr. Currie and T. J. Casey, Chief Inspector of Mines for Nova Scotia left Halifax April 28 to attend the Washington hearings of the Royal Commission on Coal headed by Mr. Justice W. F. Carroll. Following a visit to the United States Bureau of Mines, the Nova Scotia delegation will visit the mine fields of West Virginia to study the production methods there.

The visit to West Virginia is designed to explore and study the mechanization methods, particularly the safety measures employed, and to gain an insight into the operations of this highly developed bituminous coal area. Nova Scotia is particularly interested in West Virginian coal production because this area is its chief competitor in the central Canadian market.

ANNUAL STATEMENT

As at December 31, 1944, the Association had on deposit with Governmentally approved Custodians $6,542,982.00 of Approved Securities.

ASSETS

CURRENT—		
Cash on hand and in Chartered Banks	$ 841,506.78	
Government and other Bonds and Securities being legal investments of the Association with Accrued Interest and Declared Dividends	3,053,160.50	
Loans on Terminating Certificates	35,408.49	
First Mortgage Loans	3,258,818.29	
		$7,188,894.05
FIXED—		
Real Estate	1.00	
Furniture and Fixtures	1.00	
Agencies	1.00	
		3.00
		$7,188,897.05

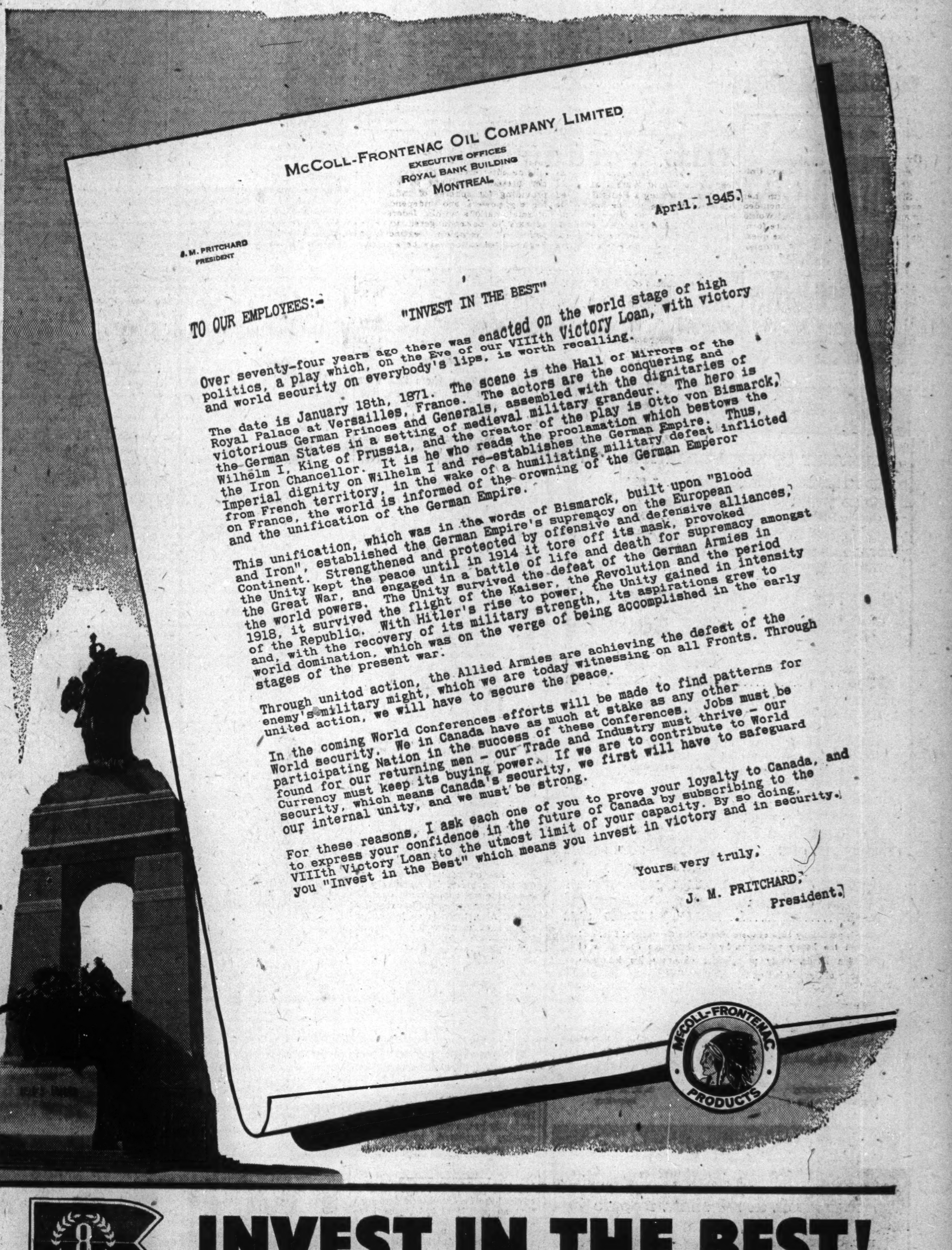
LIABILITIES

TO THE PUBLIC—	
Being Terminating Certificates (Net Liability in accordance with maturity requirements)	$5,850,516.77
Income Tax Reserve	15,655.73
TO THE SHAREHOLDERS—	
Capital, Undivided Surplus and Reserves	1,322,724.55
	$7,188,897.05

THE WESTERN SAVINGS and LOAN ASSOCIATION
Head Office: Paris Building, Winnipeg, Man.
Branch Offices
REGINA CALGARY SASKATOON EDMONTON BRANDON

FOUR STAR PETROLEUMS

During 1944 Four Star Petroleums acquired a 7.5% interest in Coastal Oils in exchange for shares in Chinook Oils and Baroils. Oil production totalled $35,962 during the year, but after deducting operating and development costs, net loss was $1,802. Current assets as at Dec. 31, 1944, totalled $23,960 as against current liabilities of $126.


McCOLL-FRONTENAC OIL COMPANY LIMITED
EXECUTIVE OFFICES
ROYAL BANK BUILDING
MONTREAL

J. M. PRITCHARD
PRESIDENT

April, 1945.

TO OUR EMPLOYEES:-

"INVEST IN THE BEST"

Over seventy-four years ago there was enacted on the world stage of high politics, a play which, on the Eve of our VIIIth Victory Loan, with victory and world security on everybody's lips, is worth recalling.

The date is January 18th, 1871. The scene is the Hall of Mirrors of the Royal Palace at Versailles, France. The actors are the conquering and victorious German Princes and Generals, assembled with the dignitaries of the German States in a setting of medieval military grandeur. The hero is Wilhelm I, King of Prussia, and the creator of the play is Otto von Bismarck, the Iron Chancellor. It is he who reads the proclamation which bestows the Imperial dignity on Wilhelm I and re-establishes the German Empire. Thus, from French territory, in the wake of a humiliating military defeat inflicted on France, the world is informed of the crowning of the German Emperor and the unification of the German Empire.

This unification, which was in the words of Bismarck, built upon "Blood and Iron", established the German Empire's supremacy on the European Continent. Strengthened and protected by offensive and defensive alliances, the Unity kept the peace until in 1914 it tore off its mask, provoked the Great War, and engaged in a battle of life and death for supremacy amongst the world powers. The Unity survived the defeat of the German Armies in 1918, it survived the flight of the Kaiser, the Revolution and the period of the Republic. With Hitler's rise to power, the Unity gained in intensity and, with the recovery of its military strength, its aspirations grew to world domination, which was on the verge of being accomplished in the early stages of the present war.

Through united action, the Allied Armies are achieving the defeat of the enemy's military might, which we are today witnessing on all Fronts. Through united action, we will have to secure the peace.

In the coming World Conferences efforts will be made to find patterns for World security. We in Canada have as much at stake as any other participating Nation in the success of these Conferences. Jobs must be found for our returning men - our Trade and Industry must thrive - our Currency must keep its buying power. If we are to contribute to World security, which means Canada's security, we first will have to safeguard our internal unity, and we must be strong.

For these reasons, I ask each one of you to prove your loyalty to Canada, and to express your confidence in the future of Canada by subscribing to the VIIIth Victory Loan to the utmost limit of your capacity. By so doing, you "Invest in the Best" which means you invest in victory and in security.

Yours very truly,

J. M. PRITCHARD,
President.

INVEST IN THE BEST!

SAVE TO WIN

To meet the demands of war we must divert expenditure from unnecessary things and *save*. Open a Savings Account with us, and put your savings on a systematic basis. Save according to plan and have the money ready when the government calls for it. This Corporation has been doing business in Canada since 1855.

2% on Savings—Safety Deposit Boxes $3 and up —Mortgage Loans.

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Assets Exceed $64,000,000

MANAGED INVESTMENT

The Financial Post assumes no responsibility for the specific buy and sell recommendation reported here. The changes and reasons for them are made entirely on the responsibility of two investment managers who have undertaken management of two hypothetical investment funds, the operations of which are reported for readers of The Financial Post.

The buying and selling of an individual security for one of these funds does not and should not, be interpreted as indicating the wisdom of any individual taking similar action. What is wise for one individual in certain economic circumstances and with a certain list of securities may be entirely unwise for another individual.

Purpose of this continuing feature is to illustrate by actual example, the principles of sound investing based on experience, knowledge and constant attention.

Compton's Manager Sells Montreal Power Common

The Financial Post publishes another operation of the hypothetical Compton account which is being managed under conditions outlined previously in The Post.

On account of the political uncertainties present in the situation, Compton's manager sells his Montreal Light, Heat & Power Cons. common stock and places the proceeds in Sixth Victory Loan.

The Compton fund is being managed for an individual described as follows: He is 38, married, two children, no dependent relatives, adequate life insurance. He is buying and holding an appropriate volume of victory bonds and war savings certificates. His interest is about 50% safety and income, 50% capital appreciation.

The Compton Fund Transactions

In accordance with decisions filed with The Financial Post on Dec. 15, 1944, the following transactions were completed during the period from Mar. 16 to Apr. 25.

SOLD:

Security	Sales price $	*Proceeds $	Income $
10 shs. Montreal L., H. & Pr., com.	23.50	232.30	9.50

*After brokerage and taxes.

PURCHASED:

Security	Cost price $	Gross cost $	Income $
$200 Canada 3% bond 1957/60	100.50	†203.14	6.00

†Includes accrued interest of $2.14.

Profit on sale	$32.30
Indicated income decreased	$ 3.50

Compton's Manager Says:

Herewith is the fourth monthly statement of your account for the period ended April 16, 1945.

Since the last report, your 10 shares of Montreal Light, Heat & Power Consolidated common stock were sold to realize a profit of $32.30. In view of the political uncertainties present in this situation it seemed advisable to dispose of this stock, especially as no loss was involved.

On the transactions completed since we took over your account on Dec. 15, 1944, you realized a net profit in cash of $364.24 or 6.8% on the cost of the securities sold. During the same period the Toronto Stock Exchange industrial stocks average advanced from 132.0 to 138.0 or 4.56%.

In the month to April 15 dividends received amounted to $35.48 and, after deduction of your monthly payment of $25, the balance of $10.48 was added to your cash. The yield on your original $10,000 is now 4.27% as compared with the original yield of 3.94%.

The broad change in the position of your account is as follows:

	Book Value Apr. 16, 1945	Book Value Dec. 15, 1944
Bonds	$ 3,817.76	....
Pref. stocks	1,649.75	$ 925.00
Common stocks ..	4,077.50	6,661.25
Mining stocks ...	785.00	1,750.00
Cash	85.27	663.75
Total	$10,415.28	$10,000.00

The Compton Fund Now Stands

No. of Shares	Security	Cost per sh.	*Market per sh.
	Common Stocks		
20	Dom. Stores, com. ...	12½	15¼
15	Simpsons, ,9 com. ..	13⅕	17¾
10	Can. & Dom. Sugar, c.	22	23¼
10	Silverwood's, com. ..	14	10¼
10	Walkers, com.	66	72¾
10	Dom. Bridge, com. ..	30	30½
5	Consumers' Gas, com.	140	145½
50	Cons. Paper, com. ...	8	8¼
20	Maple Leaf M., com.	8½	12
5	Goodyear, com.	95½	95
50	York Knit. Mills, c. .	11	11
	Mining Stocks		
10	Noranda	56	53¾
100	Madsen Red Lake ...	2¼	2.31
	Preferred Stocks		
15	Can. Wire Box, A, p.	22½	24½
30	Maple Leaf Gdns., pf.	11	11½
15	Riverside Silk, A pf.	32	32½
30	D. Stuart Oil, pf. ...	16	16¾
	Bonds		
$2,900	Can., 3% 1956/59	100⅜	100½
$900	Can., 3% 1957/60	100½	100⅛
	Cash		$85.27
	Current Market Value of Fund ..		$10,716.15
	Prospective Annual Income		$427.00
	Average Yield on Original $10,000		4.27%

*Bid price on Apr. 16, 1945.

Vickers' Ship Contracts Stretch for Months Ahead

Now Working on South American Orders, With More Considered Possible Later; No Management Changes Expected

MONTREAL (Staff) — Canadian Vickers, Ltd., now concentrating on shipbuilding activities since transfer of the government-financed aircraft plant at St. Laurent to a separate company late in 1944, has enough business on its books to keep its shipyards busy through the summer, with subsequent operations dependent on a number of factors now uncertain.

Present work includes ship construction activities for the Government and a contract for construction of freighters for the Brazilian Government. Further South American business is possible later.

Longer-term outlook is closely allied with possible government policies as regards continued government encouragement to shipbuilding in Canada after the war. One of the "heavy" industries, shipbuilding can be important in maintenance of postwar employment, but just what government policies may develop must be uncertain, at least until after the Dominion elections.

Recent death of Roy M. Wolvin, who purchased last year a substantial block of the Canadian Vickers stock to become the company's largest individual stockholder, is unlikely to result in any immediate changes in the active management of the company. Mr. Wolvin's holdings were small in relation to total amount of stock outstanding and bulk of the stock is widely distributed, mostly in small holdings. The present management has been in office for some time, despite various changes in ownership of larger blocks of the stock.

"Steamers" Prospects Good for This Year

MONTREAL (Staff) — Noting early opening of the navigation season, W. H. Coverdale, president of Canada Steamship Lines Ltd., stated at the annual meeting that revenues of the company to date this year are ahead of last year, and present expectation is for better results in 1945 than in 1944.

Canada Steamship Lines, said Mr. Coverdale, is planning considerable capital expenditures as soon as necessary permits for use of materials and labor can be obtained. In addition to plans for construction of new boats, announced last year, the company intends to enlarge hotel and other facilities at the Thousand Island Club (in the midst of the Thousand Islands), which property was acquired last year. The company's other hotels have been enjoying capacity business, Mr. Coverdale said.

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TORONTO - BRANTFORD

BRANCHES FROM COAST TO COAST

DIL Verdun Plant Being Closed May 19

MONTREAL (Staff) — Plans for early shut-down of operations at the Verdun plant of Defence Industries, Ltd., reflects recent decision of the U. S. Government to taper off its purchases of small arms ammunition.

Defence Industries received an order from the United States last December for 50 million rounds of .30 calibre ammunition, and at the same time an order for 50 million rounds went to the Dominion Government arsenal in Quebec City. Machinery was sent up from the United States for production of the American-type ammunition.

So advanced was Defence Industries on the contract when the U. S. cut-back order developed this month, that steps were taken immediately for gradual reduction in operations at the Verdun plant. By May 19, the plant will be closed down completely.

Of the 3,500 workers that were taken on at the plant earlier this year, some 2,800 will be released by May 19, while 600 to 700 employees will be kept on, for maintenance work and to help in boxing, and shipping of the borrowed equipment back to the United States.

The order from the United States called for only short-term employment, and the curtailment means only that shut-down at the plant is developing earlier than had been expected. The total cutback in munitions orders announced by the United States Government at Washington amounted to $200 millions, applicable to U. S. production as well as Canadian.

Because the lay-offs from the Verdun plant are being made gradually, Selective Service officials anticipate no serious trouble in placing the released workers.

Dom. Engineering Finishing War Job

MONTREAL (Staff) — Dominion Engineering Works, Ltd., expects to be reconverting its plant and equipment to peacetime activities this year, according to a statement by W. F. Angus, president, at the company's annual meeting.

Mr. Angus said that the trend toward more production for civilian needs, and less for war purposes, is likely to continue in 1945, with a larger part of the war output program scheduled to come to an end before close of the year. The company has on hand substantial enquiries for industrial machinery to meet deferred replacement demand and postwar reconstruction requirements. Also, there is an increasing amount of enquiry for industrial equipment for export.

"To meet this demand," both immediate and prospective," Mr. Angus said, "and to change over from wartime to peacetime production, will involve a substantial expenditure for the rearrangement of plant and for the purchase of equipment, a considerable part of which, it is hoped, may be carried out this year. These expenditures will be met largely out of the reserve for postwar rehabilitation and adjustments which your directors created in 1942 for this purpose . . .

"Your directors believe that the contemplated expenditure for plant rehabilitation will contribute importantly to the company's efforts to develop increased business and earnings and to give the maximum amount of employment of which it is capable in the postwar period."

Bell Telephone Co. of Canada has advised the Toronto Stock Exchange that an additional 358 shares have been issued under terms of the employees' stock plan, forming part of the issue covered by resolution of the directors dated Apr. 26, 1944. Issued capital is 861,153 shares.

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SUMMARY OF REPORT FOR YEAR 1944

PAID TO BENEFICIARIES (Mortality)	$ 68,514
PAID TO LIVING POLICYHOLDERS (including Dividends to Policyholders) ...	158,487
TOTAL PAID TO POLICYHOLDERS AND BENEFICIARIES	$227,001

PAID ON POLICIES AND BONDS SINCE ORGANIZATION (INCLUDING DIVIDENDS TO POLICYHOLDERS) Over $5,500,000

	1944	1943	% Increase
ASSETS	$3,439,148	$3,111,391	10.53
POLICY BONDS AND ANNUITY RESERVES	2,525,879	2,343,393	7.79

(This is the amount computed on a strict actuarial basis as prescribed by the Dominion Insurance Act to absolutely guarantee the fulfillment of the obligations of The Commercial Life. Never in the history of Dominion life insurance have the policy reserves been found inadequate.)

	1944	1943	% Increase
OTHER RESERVES	490,643	444,025	10.50

(Available for further protection of policyholders over and above the policy reserves.)

	1944	1943	% Increase
PREMIUM INCOME	424,790	378,773	12.15
TOTAL INCOME	653,870	584,808	11.81
BUSINESS IN FORCE	15,003,305	13,356,407	12.33
DOMINION OF CANADA BONDS	1,715,650	1,230,560	39.42

(This is practically 50% of the assets of The Commercial Life, and through the heavy purchases by life insurance companies of Dominion Bonds, every policyholder of every life insurance company of Canada is thus through their life insurance premiums subscribing substantially for the Dominion War Bonds, besides their independent purchases.)

Since the commencement of the war, the Commercial Life has purchased Dominion War Bonds to an amount greater than the first five years' premiums of all the business written during that period.

J. W. GLENWRIGHT, Managing Director — J. L. HEAL, Inspector — E. B. H. SHAVER, Secretary

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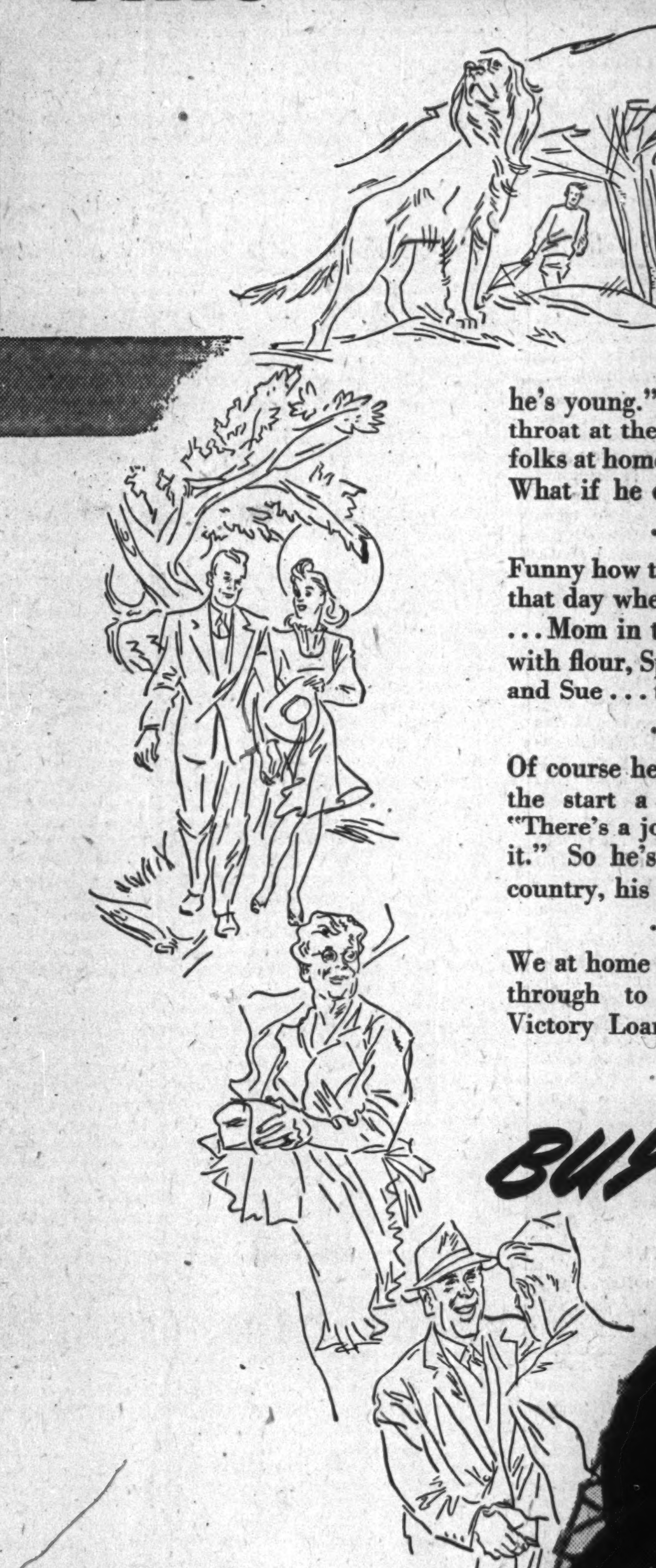
THIS THING CALLED DUTY...



HE SEEMED JUST A BOY when he decided to enlist, and he laughed and joked about it. "A good chance to see the world," he said. "A fellow has to have some excitement when he's young." But a choking lump came in his throat at the thought of breaking old ties—the folks at home, his dog, Spot . . . yes, . . . and Sue. What if he didn't come back to them again?

Funny how things kept going through his mind that day when the shells were screaming down . . . Mom in the kitchen with her hands covered with flour, Spot chasing rabbits in the meadow, and Sue . . . that night . . . in the moonlight.

Of course he'd never admit it, but right from the start a quiet voice kept calling him—"There's a job for you to do; you can't shirk it." So he's out there doing his bit for his country, his home and his loved ones.

We at home can help our boys carry their job through to victory by supporting the 8th Victory Loan.

BUY VICTORY BONDS

IMPERIAL OIL LIMITED

COMPANY REPORTS

Normetal Mining Corp.

Increases in net profits, working capital and maintenance of ore reserves within 56,900 tons of those of the previous year, feature the 1944 annual report of Normetal Mining Corp.

No. 3 shaft was deepened to the 3,200-ft. level and from that depth an internal shaft will probably be necessary, it is stated.

An option has been taken with Noranda Mines on a 50-50 basis on the Alamac Mine which adjoins Normetal on the east. Diamond drilling under Normetal supervision was started in December.

Copper has been sold in the U. S. to June 30, 1945, and a new zinc contract has been entered into at a cent a pound less.

INCOME ACCOUNT▪

Years Ended Dec. 31:	1944	1943
Production*	$1,829,036	$1,822,179
Less: Oper. exps.	1,233,737	1,278,656
Net oper. profit	595,299	543,523
Less: Def. dev. w/o	95,822	164,215
Depreciation	178,580	189,190
Dom. & prov. tax.	111,600	52,625
Sundry w/o	2,332	211
Net profit	206,965	137,282

▪Consolidated statements of Normetal Mining Corp. and Normetal Railway Co.
*After deducting marketing expense.

Earnings per share	$0.055	$0.036
Working capital	1,672,105	1,353,626

Francoeur

While production was maintained by Francoeur Gold Mines in 1944, operating profits showed a sharp reduction as extra development was required to offset lack of work previous years.

Company's mill was closed down and shipments of ore to the Noranda smelter as a flux was commenced Oct. 1, 1944, under an agreement whereby 95% of the gold content is returned to Francoeur.

A substantial investment is stated to have been made in Wasa Lake Gold Mines and investments in other mining companies, not included in current assets, were shown at $110,362 at the end of the year.

Diamond drilling confirmed the downward extension of No. 3 ore body.

INCOME ACCOUNT

Years Ended Dec. 31:	1944	1943
Bullion recovery	$405,794	$405,668
Less: Oper. exps.	369,282	303,495
Oper. profit	36,512	102,173
Add: Other ins.	5,171	4,695
Less: Deprec.	29,727	45,358
Develop. w/o	61,374	61,374
Taxes	......	2,275
Net loss or deficit	49,418	2,139
Earnings per share	d$0.016	d$0.0007
None paid.		
Working capital	155,104	275,077

OPERATING STATISTICS

	1944	1943
Ore reserves, tons	185,315	213,185
Grade ($38.50 gold)	$6.968	$8.547
Tons milled	65,628	63,832
Recovery per ton	$6.18	$6.35

Perron Gold Mines

Development of Perron Gold Mines was curtailed in 1944, due to shortages of labor with all new ore found during the year in the extensions of old stopes and new ones between them. Tonnage treated was down from 117,060 in 1943, to 101,678 in 1944, while gold output dropped from $1,125,981 to $915,681. Limited exploration was carried out in the north section of the mine with inconclusive results.

INCOME ACCOUNT

Years Ended Dec. 31.	1944	1943
Bullion recov.	$915,681	$1,125,981
Add: Scheelite	166	654
Less: Mkt. chgs.	10,293	13,161
Net production	905,554	1,113,474
Less: Oper. exps.	623,519	773,589
Oper. earnings	282,035	339,885
Add: Misc. inc.	30,517	26,312
Net earnings	312,552	366,197
Less: Deprec.	66,255	81,188
Res. for taxes	68,100	72,160
Net profit	178,197	212,849
Less: Divds.	160,000	200,000
Surplus for year	18,197	12,849
Earned per Share	$0.089	$0.106
Paid	0.08	0.10
Working capital	600,611	575,977

OPERATING STATISTICS

	1944	1943
Ore reserves, tons	230,449	263,100
Grade ($38.50 gold)	$7.24	$7.66
Tons milled	101,678	117,060
Aver. recovery	$9.01	$9.82

Sullivan Consolidated

Production rate was reduced by Sullivan Consolidated Mines in mid-1944 and 25% of the available underground crew was placed on development and maintenance work resulting in the indication of new ore and replacement of most of ore mined during the year.

A large program of surface drilling was carried out on the company's main property and three others, some commercial intersections being found on the Legault property. Further exploration underground of the company's southwest section is planned.

INCOME ACCOUNT

Years Ended Dec. 31:	1944	1943
Bullion prod.	$1,193,902	$1,487,525
Less: Oper. exps.	880,429	874,885
Net oper. earn.	313,473	612,640
Add: Other inc.	4,949	5,193
Total net earns.	318,422	617,833
Less: Deprec.	108,706	107,244
Que. profit tax	8,399	19,419
Devel. w/o	......	15,093
Dom. inc. tax‡	56,418	131,016
Net profit for year	144,899	345,061
Less: Divds.	200,000	320,000
Surplus for year	*55,101	25,061
‡Inc. refund. EPT	......	232

Note: Co's report includes ref. EPT in net profit and surplus for year.
*Deficit.

Earnings per Share—		
Earned: Excl. of EPT	$0.036	$0.086
Incl. ref. EPT	0.036	0.086
Paid	0.05	0.08
Working capital	445,954	422,274

OPERATING STATISTICS

	1944	1943
Ore reserves, tons	629,550	632,100
Grade (38.50 gold)	$9.76	$10.34
Tons milled	140,146	150,933
Recovery per ton	$8.52	$9.86

Sladen-Malartic Mines

Owing to a shortage of qualified labor development work at Sladen-Malartic Mines was curtailed in 1944. However, if conditions permit, the 1,700-ft. horizon will be explored by drifting and lateral diamond drilling this year. A cross-cut will also be driven on the 500-ft. level to explore a shear zone of considerable interest lying some 2,200 ft. north of the No. 1 shaft.

Diamond drilling of the northern section of the property was carried out for a part of 1944, and while no discoveries of importance were made, further diamond drilling will be conducted in this area.

INCOME ACCOUNT

Years Ended Dec. 31:	1944	1943
Bullion prod.	$771,135	$828,893
Add: Other income	21,445	12,612
Less: Oper. exps.	697,615	721,027
Oper. profit	94,965	120,478
Less: Deprec.	40,199	39,852
Develop. w/o	70,822	87,253
Net loss & deficit	16,056	6,627
Earnings per share	d$0.0045	d$0.0018
No dividends paid.		
Working capital	706,359	615,930

OPERATING STATISTICS

	1944	1943
Ore reserves, tons	530,000	664,000
Grade ($38.50 gold) $	4.51	4.51
Tons milled	207,015	223,743
Recovery per ton $	3.73	3.70

Cariboo G. Quartz

Highlight of the annual report of Cariboo Gold Quartz Mining Co. for the year ended Jan. 31, 1945, is the announcement of discovery of replacement ore at the 1,900-ft. level in the Rainbow zone.

Development was severely restricted by shortage of labor but the company had 185 men on the payroll in January, or approximately five more than in February, 1944.

INCOME ACCOUNT

Years Ended Jan. 31:	1945	1944
Bullion receipts	$526,419	$612,741
Less: Oper. exps.	530,676	554,955
Oper. earns.	*4,257	57,786
Add: Misc. inc.	2,306	3,508
Net earnings	*1,951	61,294
Less: Admin., etc.	35,583	32,367
Net income	*37,534	28,927
Less: Deprec.	61,552	90,683
Depletion	33,274	35,727
Net loss	132,360	97,483
Add: Divds. paid	......	53,332
Deficit for year	132,360	150,815
*Loss.		
Earnings per Share	d$0.099	d$0.073
Paid	nil	0.04
Working capital	411,165	420,233

OPERATING STATISTICS

Ore reserves, tons	360,415	390,180
Grade ($38.50 gold)	14.94	15.02
Tons milled	32,274	35,726
Recov. per ton	15.82	17.15

Purdy Mica

The opinion is expressed in the 1944 annual report of Purdy Mica Mines, by General Manager J. P. Norrie, that the company can compete with foreign competition in most sizes and grades of mica and that operations will continue to show good profits in the postwar period.

Need for extra work to place larger quantities of mica in sight is noted in the report.

Balance sheet at Dec. 31, 1944, shows $276,582 current assets including $100,149 cash and $100,000 Dominion bonds against $29,083 current liabilities. Surplus forward was $315,711.

INCOME ACCOUNT

Years Ended Dec. 31:	1944	1943
Sales	$566,525	$230,619
Add: Invest. inc.	437	......
Less: Product. costs	201,282	116,571
Mica inventory	17,462	2,766
Gross profit	348,218	111,282
Less: H. O. & admin. exp.	45,582	24,243
Deprec.	8,458	3,873
Income tax	41,907	13,213
Net profit & surp.	252,271	69,958
Earned per Share	$0.126	$0.034
None paid.		

Gunnar Gold Mines

Activities of Gunnar Gold Mines in 1944 were confined entirely to prospecting with two parties operating in Ontario and covering the greenstone area from the Porcupine district southwest to Opeepeesway Lake, east to Tyrrell twp. and north to Porcupine. Twenty-one claims were staked east of Opeepeesway Lake and another 15 claims were staked in Doon twp. The company participated with other interests in prospecting the Northwest Territories.

The company holds a controlling interest in Ogama-Rockland Gold Mines where work is to be resumed as soon as government regulations and labor conditions permit. A substantial share interest is also held in McBine Porcupine Gold Mines.

INCOME ACCOUNT

Years Ended Dec. 31:	1944	1943
Oper. exps.	$20,556	$32,080
Operating deficit	20,556	32,080
Add: Other income	29,834	54,436
Net earnings	9,278	22,356
Less: Misc. exp.	6,969	8,198
Net profit & surplus	2,309	14,158
Earnings per Share	$0.001	$0.005
None paid.		
Working capital	630,202	629,719

GENERAL MANAGER

L. E. Hewett becomes general manager of Thomas J. Lipton Ltd. in Canada. He was assistant general manager.

San Antonio

With labor supply very short and most of last year's development in the "dead work" category, as far as putting ore in sight was concerned, San Antonio Gold Mines experienced a 6% decline in ore reserves in 1944.

Feature of the year was partial development by drifting, slashing and drilling of the No. 50 vein on the 14th level with this vein giving indications of being a major ore body on levels from the 14th to 16th, most work having been done on the 16th level.

Diamond drilling to depth from the 16th level showed favorable structure persisting to 3,200 ft., the full depth of the hole. Less than 10% of ore milled to date has come from below the 10th level.

INCOME ACCOUNT

Years Ended Dec. 31:	1944	1943
Gross production	$1,568,175	$1,870,363
Less: Oper. exps.	767,300	833,077
Oper. income	800,875	1,037,286
Add: Other inc.	8,905	15,624
Net earnings	809,780	1,052,910
Less: Deprec.	137,792	168,439
Outside explor.	4,932	1,832
Taxes reserve‡	209,078	304,316
Net profit†	457,978	578,323
Less: Dividends	478,513	478,603
Surplus for year	*20,535	99,720
‡Inc. refund. E.P.T.	10,046	20,365

*Deficit.
†Company's report includes refundable EPT in net profit and surplus for year.

Earned per Share and Dividend Record:			
Com.: Excl. ref. EPT	$0.19	$0.24	$0.30
Incl. ref. EPT	0.20	0.25	0.31
Paid	0.20	0.20	0.20

Working capital	1,009,432	1,016,873

OPERATING STATISTICS

	1944	1943
Ore reserves, tons	860,000	916,471
Tons milled	140,085	164,307
Aver. recovery	$11.19	$11.38

West Malartic

While production was lower, West Malartic Mines showed an increased operating profit in 1944.

A total of 600,000 shares of stock are stated to remain under option to provide the company with an additional $564,000 when agreement is fully exercised, it is stated. McKenzie & Co. are reported to have met all their obligations under the option.

Shaft was extended from 721.5 to 1,231.5 ft. last year and opening of 6th, 7th, 8th and 9th levels is being undertaken. Four ore zones have so far been encountered on the 6th level.

A two-thirds interest has been acquired in West Malartic Mines which controls the adjoining Pan Canadian properties and a program of drilling is planned.

INCOME ACCOUNT

Years Ended Dec. 31:	1944	1943
Production	$410,436	$435,568
Add. Other inc.	682	......
Less: Oper. exps.	360,442	422,946
Int. on loans	20,031	20,250
Prov. taxes	......	......
Operating profit	30,645	*7,628
Less: Deprec.	35,633	34,043
Dev. & exp. w/o	60,801	60,802
Deficit for year	65,789	102,473
*Deficit.		
Earned per Share	d$0.02	d$0.04
None paid.		
Working capital	112,118	145,353

OPERATING STATISTICS

	1944	1943
Tons milled	84,220	93,340
Recovery per ton	$4.87	$4.67

Canadian Malartic

While adverse operating conditions persisted in 1944, Canadian Malartic Gold Mines found it possible to maintain probable ore reserves at 4.7 years' capacity mill requirements.

A 10% reduction in tonnage milled was placed in effect during the year due to the labor shortage. The new ore discovery by diamond drilling in the south limb area is stated to present interesting possibilities.

INCOME ACCOUNT

Years Ended Dec. 31:	1944	1943
Metal sales	$1,408,027	$1,254,229
Less: Mktg. chgs.	17,488	14,752
Net return	1,390,539	1,239,477
Less: Oper. exps.	1,012,751	919,838
Oper. profit	377,788	319,639
Add: Other rev.	27,701	21,859
Total income	405,489	341,498
Less: Tax prov.‡	111,500	77,000
Deprec.	33,083	94,066
Net profit$	260,906	170,432
Less: Divds.	146,054	146,054
Surplus for year$	114,852	24,378
‡Inc. refund. EPT	1,414	......

$Note: Co. includes refund. EPT in net profit and surplus.

Earnings per Share and Dividend Record:		
Com.: Excl. ref. EPT	$0.071	$0.05
Incl. ref. EPT	0.072	0.05
Paid	0.04	0.04
Working capital	800,722	637,618

OPERATING STATISTICS

	1944	1943
Grade ($38.50 gold)	$4.74	$4.77
Tons milled	334,575	323,897
Recovery per ton	$4.21	$3.87
Ore reserves, tons	1,690,000	1,704,500

Inspiration M. & D.

Demand for diamond drilling far exceeded available manpower and equipment in 1944, Inspiration Mining & Development reports with a total of 362,000 ft. drilled compared with 245,960 ft. in 1943.

To handle Ontario drilling, control was purchased of Sudbury Diamond Drilling and Inspiration also purchased Miners Inc., a shaft sinking and underground development company.

Approximate market value of $1,127,146 of investments was $1,382,807 at Dec. 31, 1944, and in addition the company had other holdings—Purdy Mica, Miners Inc., Vicour, Sudbury Diamond Drilling and Aumaque—with a combined market value of approximately $528,000.

INCOME ACCOUNT

Years Ended Dec. 31:	1944	1943
Oper. income	$72,763	$32,056
Less: Oper. exps.	41,563	16,893
Net oper. revenue	31,200	15,163
Add: Other income	65,618	98,837
Net earnings	96,818	114,000
Less: Explor. exps.	14,114	33,751
Depreciation	6,848	7,132
Income taxes	11,000	294
Net profit	64,856	72,823
Less: Dividends	......	40,000
Surplus for year	64,856	32,823
Earnings per Share	$0.032	$0.036
Paid	nil	0.02
Working capital	1,318,135	1,300,021

Aldermac Copper Corp.

The 250-ton daily capacity concentrator of Aldermac Copper Corp. was placed in operation at Sherbrooke, Que., in July, 1944, and produced concentrates by August. The mining plant and mill proved up to expectations but underground costs were excessive due to extremely weak walls and irregularities in structure that could not be anticipated, C. D. H. MacAlpine, reports.

The old plant at Arntfield, except the pyrite drying and shipping equipment, was dismantled. Most of the equipment was sent to Sherbrooke and some was sold. Current assets as at Dec. 31, 1944, totalled $428,890 as against current liabilities of $527,612. In addition, $400,000 in 5% 10-year first mortgage bonds are outstanding.

INCOME ACCOUNT

Years Ended Dec. 31:	1944	1943
Metal prod.†	$439,792	$1,329,433
Less: Oper. exp.	427,757	1,133,971
Net oper. earns.	12,035	195,462
Less: Deprec.	16,861	132,964
Int., bds. & notes	8,333	20,000
Devel. w/o	21,496	114,795
Net loss	34,655	72,297
†Including other income.		
Earned per Share	d$0.006	d$0.014
None paid.		

Jason Mines

Repayment of substantially the entire sum advanced to Twin "J" Mines and granting of an option on shareholdings in that company, are reported by Jason Mines. The option is at prices which, if fully exercised, would repay Jason its entire investment in the former project which was closed by the Wartime Metals Corp. in 1944.

The former gold producing property at Casummit Lake is still closed, although E. M. Thomson, president reports, that directors will act as soon as conditions warrant and regulations permit the reopening of the property. Current assets as at Dec. 31, 1944, totalled $5,940 as against current liabilities of $18. Investments in provincial and federal bonds amounted to $188,020.

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KITCHENER, ONTARIO

MONTREAL TRAMWAYS COMPANY

REPORT OF THE PRESIDENT AND DIRECTORS
For the Year Ended 31st December, 1944

TO THE SHAREHOLDERS:

Your Directors herewith submit their Annual Report for the year 1944.

Revenue:			
Operating Revenue—Tramways		$16,267,771.80	
" " Autobus		4,043,428.77	
			$22,311,200.57
Expenses:			
Tramways			
Operating Expenses	$9,881,508.16		
Maintenance and Renewals	3,223,961.51		
		$13,105,469.67	
Autobus			
Operating Exp. and Mainten.	$3,191,515.65		
Depreciation	740,665.16		
		3,932,180.81	
Taxes (other than Income Taxes)		710,457.18	
City of Montreal Rental		500,000.00	
			16,246,107.66
Net Operating Revenue			$ 4,063,092.91
Other Income:			
Interest on Marketable Securities, Call Loans, etc.		$ 53,800.28	
Dividends		50,436.34	
			104,236.62
			$ 4,167,329.53
Deductions:			
Interest on Bonds		$ 2,129,136.21	
Exchange		106,066.22	
Amortization of Bond Discount and Expenses		10,942.00	
			2,246,144.43
			$ 1,921,185.10
Provision for Income and Excess Profits Taxes			540,000.00
Net Income transferred to Surplus			$ 1,381,185.10

SURPLUS AS AT 31st DECEMBER, 1944

Balance at beginning of period		$ 2,010,006.94
Net Income from Profit and Loss Statement		1,381,185.10
Transferred from Contingent Reserve		9,000.00
		$ 3,400,192.04
Deduct:		
Transferred to Depreciation Reserve	$ 1,000,000.00	
Reserve for Financing	248,253.43	
Premium paid on Bonds purchased for Sinking Fund	39,818.75	
Reduction in value of properties	124,377.33	
		1,412,449.51
Balance at end of period		$ 1,987,742.53

The number of revenue passengers for 1944 was as follows:—

	TRAMWAYS	AUTOBUS	TROLLEY BUS	TOTAL
Revenue Passengers, 1944	292,126,858	65,796,022	3,120,061	361,042,941
Revenue Passengers, 1943	288,327,630	63,021,553	3,010,372	354,359,555
Increase	3,799,228	2,774,469	109,689	6,683,386
Increase per centum	1.32%	4.40%	3.64%	1.89%

Miles operated were as follows:—

1944	34,256,665	11,022,169	308,277	45,587,111
1943	34,257,089	10,661,885	308,412	45,227,386
Increase	* 424	360,284	* 135	359,725
Increase per centum		3.38%	* .04%	.80%

*Decrease.

TAXES, SNOW REMOVAL AND CITY RENTAL

Included in the Operating Costs for the year are the following:

City of Montreal:	
Snow Removal, Taxes and Annual Rental	$ 1,383,364.56
Other Municipalities:	
Snow Removal and Taxes	60,451.36
Federal Government:	
Income Tax, Gasoline Tax, etc.	603,638.03
Provincial Government:	
Taxes, Gasoline, etc.	265,116.27
	$ 2,312,570.22

The operations of the Company from 1918 to December 31st, 1944, have included the following amounts payable to the City of Montreal:—

Snow Removal	$ 5,868,130.53	
Annual Rental	9,611,711.60	
Taxes	10,756,655.51	
		26,236,497.64
Expended by the Company for Maintenance of Street Pavement		4,264,832.04
		$30,501,329.68

FINANCIAL

The number of revenue passengers using the services of the Company during the year was 361,042,941, constituting an all-time record and an increase of 1.89% over 1943 and of 72.81% over 1939. Transfers were issued to approximately 50% of the passengers so carried and, in the result, over 540,000,000 passengers entered the Company's tramcars and buses during the year. To render this service, the Company's vehicles travelled 45,587,111 miles, or an increase of 359,725 miles over the mileage of 1943 and an increase of 13,077,490 miles over the mileage of 1939.

The Company paid out in wages during the year a total of $10,511,671.50.

INCOME TAX

In the Annual Report for 1943, your attention was directed to an Order of the Montreal Tramways Commission dated January 24th, 1944, under which your Company was ordered to pay to the City of Montreal a sum of $1,000,000.00 out of its gross revenues for the year 1942, the same to be applied on account of arrears of City Rentals, if and when the Commissioner of Income Tax ruled that such payment would be allowed as an operating expense for that year and accordingly deductible for purposes of income tax. This amount was not allowed as a proper deduction by the Commissioner of Income Tax and the Company has appealed from this decision.

FARES

There was no change in tramway fares for 1944, the average rate for the year being 6.07 cents. In 1943, the average fare in cities in the United States with a population exceeding 100,000 was 7.96 cents and no change has been noted in 1944.

LABOUR RELATIONS

Two strikes occurred during the year—the first on February 18th and 19th and the second from August 3rd to 13th. On August 11th, 1944, the Federal Government by Order-in-Council P.C. 6416 appointed two Controllers who were given wide powers in connection with the Company's transportation service. Heavy penalties were imposed upon employees who did not return to work before a certain date and, in the result, the second strike came to an end. The Controllers appointed were Messrs. E. L. Cousins and J. E. St. Laurent and they are still in office.

In December 1943, the Negotiating Committee of the Canadian Brotherhood of Railway Employees and Other Transport Workers submitted proposals for a new contract involving important changes in the existing agreement. Numerous conferences were held with this Committee and, in the result, various changes were agreed upon. Agreement was not reached on clauses which affected wages payable to employees in the Transportation Department and to "Maintenance Employees." The matter was eventually referred to the Quebec Regional War Labour Board and, on December 5th, 1944, this Board settled the terms of working conditions as affecting Transportation Employees, which, in the result, brought about an increase of $289,000.00 in the annual wages payable to such employees and a corresponding increase in the cost of operation.

On January 19th, 1945, the Company entered an Appeal from this decision to the National War Labour Board on the ground that such increase was unjustified and that the wages then paid to such employees together with the additional wages payable under Article 110 of the existing Contract were higher than those paid to similar employees in any Tramway System in Canada. After a hearing on February 15th, 1945, the National Board confirmed the previous decision of the Regional War Labour Board. A reference was also made to the Quebec Regional War Labour Board in respect of changes in wage rates as affecting "Maintenance Employees." On January 3rd, 1945, this Board rendered its decision and, in the result, brought about an increase of $85,000.00 in the annual wages payable to such employees.

The Company has asked the National War Labour Board for permission to appeal from this decision, but, up to date, no order has been made.

SUBWAYS

At the request of the Greater Montreal Economic Council, and in connection with a post-war reconstruction programme, the Company prepared a Subway Plan. Special surveys of traffic and population trends and engineering studies were carried on by our Staff and, in order to obtain the benefit of the assistance of those who were familiar with such work, the Company retained the firm of Messrs. DeLeuw, Cather and Company, of Chicago, who have had wide experience in transit planning.

In May, 1944, the Plan was completed and forwarded to the Greater Montreal Economic Council. The Plan involved the construction of nearly nine (9) miles of subway, at an estimated cost of $60,000,000.00.

ROLLING STOCK

The following additions to Rolling Stock were made during the year: eighteen (18) tramcars, at a total cost of $568,999.12, and forty (40) forty-passenger buses, at a total cost of $747,858.41.

The new tramcars were put into operation on the Outremont line and have given satisfactory service. Certain changes have been made in this equipment owing to difficulties in operation during the Winter months and such changes have produced satisfactory results. Similar cars ordered for delivery in 1945 will contain the necessary improved mechanical devices.

Owing to Government restrictions in war-time, it has been difficult to purchase all desired and necessary new equipment. The maintenance of cars and buses now in service has also been difficult as the result of recognized shortages in necessary parts. It is, however, of record that the tramcars in the Company's service travelled an average of 34,673 miles as compared with an average of 27,224 miles in 1938. These figures indicate the efficiency of the staff and of the employees in the Maintenance Department.

TRACK, CONSTRUCTION AND RENEWALS

The following tracks were renewed or replaced during the year:

DOUBLE TRACK: Double track on St. Catherine Street, between Amherst and Papineau and between Frontenac and Harbour; on Windsor Street, between St. James and St. Antoine; and, on the Swing Bridge over the Lachine Canal at Cote St. Paul Road.

LADDER TRACKS: Ladder tracks serving storage barns at St. Denis, St. Henry and Hochelaga.

SPECIAL TRACK WORK at the following intersections:—
Sherbrooke and Victoria;
St. Catherine and Frontenac;
Mt. Royal and St. Denis;
St. Catherine and Viau;
St. Catherine and St. Clement;
St. Catherine and Glen;
Ontario and Davidson;
St. James and Windsor.

Two additional curves were added to track installation at the intersection of Dorchester and Windsor Streets to facilitate service in the vicinity of the Canadian National Railway Terminal Station.

BUILDINGS

The new operating garage at the Corner of Charlevoix and Ste. Cunegonde Streets mentioned in the 1943 Report was completed and placed in operation on April 1st, 1944, and is giving excellent service. All buildings of the Company have been kept in good repair and working condition.

Your Directors desire to record their sincere appreciation of the loyal and efficient services of the Company's officers and staff during the year.

Your Directors also desire to record their sense of loss and deep regret in the death of Mr. William C. Finley, a Director of this Company for thirty-three years and, for nine years prior to his death, a Vice-President of the Company. Mr. Finley's willing and effective co-operation and advice was at all times of great value to the officers of the Company and to the Board.

Your Directors also wish to express their regret in the death of Mr. Patrick Dubee. Mr. Dubee joined the Company in 1890 and, in 1903, was appointed Secretary of the Company and, in 1912, Secretary-Treasurer. During this long period of service, Mr. Dubee carried out faithfully and efficiently the duties of his office.

Submitted on behalf of the Board of Directors.

R. N. WATT,
President.

GENERAL BALANCE SHEET
As at December 31st, 1944

ASSETS

Current Assets:			
Cash and Demand Deposits	$2,412,433.96		
Call Loans	2,725,000.00		
		$ 5,137,433.96	
Marketable Securities, at cost (Market Value $1,412,887.50)		1,391,062.50	
Accounts Receivable		47,804.59	
Inventories of track and overhead materials, Street Car and Autobus repair parts and supplies, etc., at cost (as determined and certified to by Officials of the Company)		1,117,093.50	
Due by Employees on Victory Loan Subscriptions		443,186.55	
Accrued Interest Receivable		23,319.89	
			$ 8,159,903.90
Investments:			
Company's own Bonds (Par Value $876,300.00)		$ 848,673.51	
Securities of Affiliates		725,248.33	
Securities held for account of Guarantee Fund (Market Value $500,937.50)		500,000.00	
Securities held for account of Autobus Depreciation, Financing and other Reserves (Market Value $3,542,750.00)		3,500,000.00	
			5,573,921.84
Fixed Assets:			
Property, Plant and Equipment		$56,467,867.88	
Less Reserves—			
Maintenance and Renewals	$ 394,792.84		
Depreciation, General	8,000,000.00		
Depreciation, Autobus	2,014,834.28		
		10,409,627.12	
			46,058,260.76
Deferred Charges:			
Prepaid Taxes		$ 3,976.32	
Uniforms—amount applicable 1945 operations		22,227.61	
Prepaid Insurance, Rents, etc.		44,830.11	
Unamortized Bond Discount and Expenses		112,150.00	
			182,984.04
Other Assets:			
Operators' Ticket Advance Account		$ 65,000.00	
Refundable portion of Dominion of Canada Excess Profits Tax		131,821.26	
			196,821.26
Note:			
Balance due Company under Contract, payable only when earned:			
On account Financing Allowance	$ 670,412.05		
			$60,171,890.89

Verified in accordance with our Report of this date.

SHARP, MILNE & Co., C.A.,
Auditors.

Montreal, March 9th, 1945.

LIABILITIES, CAPITAL STOCK AND SURPLUS

Current Liabilities:			
Accounts Payable		$ 573,105.83	
Wages		1,103,483.64	
Provision for Income and Excess Profits Taxes, less amounts paid on account		1,605,888.45	
Other Taxes		507,538.51	
Bond Interest		322,812.86	
Provision for claims for Injuries and Damages		500,000.00	
Montreal Tramways Mutual Benefit Association		305,199.64	
City of Montreal Rental		125,000.00	
Employees' Security Deposits		35,022.86	
			$ 5,078,051.78
Funded Debt:			
First and Refunding Mortgage 5% Gold Bonds due July 1, 1951 (Payable at holder's option in Canadian or U. S. currency or in sterling)		$16,900,000.00	
General Mortgage Sinking Fund Bonds due April 1, 1955, Series "A" (Payable at holder's option in Canadian or U. S. currency or in sterling)			
5%	$ 2,542,900.00		
4½%	264,400.00		
	$ 2,807,300.00		
Series "B" (Payable in Canadian currency)			
5%	$21,055,600.00		
4½%	1,828,100.00		
	$22,883,700.00		
Bonds not yet presented for exchange			
5%	$ 345,200.00		
4½%	11,200.00		
	$ 356,400.00		
		26,047,400.00	
			42,947,400.00
Reserves (In accordance with provisions of Contract)			
Contingent Reserve		$ 300,000.00	
Other Reserves, including refundable portion of Dominion of Canada Excess Profits Tax		208,808.43	
			508,808.43
Reserves (For Company's Account)			
Reserve for Financing		$ 1,864,230.89	
Reserve for Redemption of Unpresented Tickets		500,000.00	
Reserve for Exchange on U. S. Dollars		209,000.00	
Other Reserves		76,657.26	
			2,649,888.15
Capital Stock:			
70,000 shares of $100.00 par value			7,000,000.00
Surplus			1,987,742.53
			$60,171,890.89

Signed on behalf of the Directors:
Geo. H. Montgomery } Directors.
C. E. Gravel }

Certified Correct:
A. A. BOIRE,
Chief Accountant.

Montreal Tramways Company,
Montreal, Quebec

Montreal, March 9th, 1945

We have examined the balance sheet of Montreal Tramways Company as of December 31st, 1944, and the related statements of profit and loss and surplus for the year 1944, have reviewed the system of internal control and the accounting procedures of the Company, and without making a detailed audit of the transactions, have examined or tested accounting records of the Company and other supporting evidence, by methods and to the extent we deemed appropriate. Our examination was made in accordance with generally accepted auditing standards applicable in the circumstances and included all procedures which we considered necessary.

The provision for Income and Excess Profits taxes shown on the balance sheet is subject to final determination by the Income Tax authorities.

In our opinion, the accompanying balance sheet and related statements of profit and loss and surplus present fairly the position of Montreal Tramways Company at December 31st, 1944, and the results of the operations for the year then ended, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

(Signed) SHARP, MILNE & CO., C.A.,
Auditors.

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Single room with bath, $3.50.
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COMPANY REPORTS

International Paper

Total sales for International Paper Co. in 1944 amounted to $231,572,493, a 7% increase over 1943. Renegotiation of contracts for 1942 was settled on the basis of a finding of $900,000 excess profits before taxes. The net result after taxes was a refund of $171,000 to the Government, of which $90,000 was paid in cash and $81,000 in cancellation of postwar profits tax obligations. No final settlement for 1943 has been made, but indications are that the settlement will be slightly over that for 1942.

Newsprint production of Canadian subsidiaries was 12% higher than in 1943.

Construction of a new bleaching plant at the Gatineau mill in Canada was started in the latter part of 1944 and is estimated to cost about $2 millions. It is expected to be completed and in operation by the latter part of 1945.

CONS. INCOME AND SURPLUS ACCT.

Years Ended Dec. 31:	1944	1943
Net earnings	$50,820,217	$47,974,732
Less: Debt. int.	2,457,412	2,577,627
Deprec.	11,422,891	11,708,716
Depletion	889,222	978,379
Amort. of disc.	210,536	252,600
Inc. tax res.	26,385,152	22,569,558
Subs. divs.	6,850	6,850
Retained profit	9,448,154	9,881,002
Add: Postwar tax credit:		
U. S. (net)	835,375	229,826
Canadian	276,871	8,721
Less: Trans. to res.▲	2,112,447	1,705,741
Total profit bal.	8,447,953	8,413,808
Less: Pref. divd.	4,629,830	4,629,830
Surp. for year	3,818,123	3,783,978

▲Comprises net profits of foreign subsids. (over 99% Canadian) including refund. E.P.T.

Times Fixed Charges Earned:	1944	1943
Before depr. & depl.	19.00	16.91
After depr. & depl.	14.40	12.44
Earnings per Sh. & Dividend Record:		
5% pref.: Earned:		
Excl. U. S. tax cr.	$8.22	$8.84
Incl. U. S. tax cr.	9.12	9.09
Paid	5.00	5.00
Common: Earned:		
Excl. U. S. tax cr.	1.64	1.95
Incl. U. S. tax cr.	2.09	2.07
None paid.		
Working capital	71,121,685	63,524,276

Crow's Nest Pass Coal Co.

Crow's Nest Pass Coal Co.'s net capital expenditures in 1944 amounted to $91,116. Distributions to shareholders amounted to $186,354. Net profit was $158,665.

INCOME ACCOUNT

Years Ended Dec. 31:	1944	1943
Net earn. from oper.	$702,578	$557,601
Add: Other inc.	86,144	152,841
Less: Deprec.	527,644	138,745
Amortization		82,199
Depletion		96,070
Inc. tax res.	102,413	146,960
Net profit	158,665	246,468
Less dividends	186,354	186,354
Surplus for year	*27,689	60,114
Earnings per Share and Dividend Record:		
Earned	$2.55	$3.97
Paid	3.00	3.00
Working capital	1,262,925	867,587

PRODUCTION

	1944	1943
Coal, tons	1,002,410	960,704
Coke, tons	84,354	86,640

Coniagas

Taking securities at market value Coniagas Mines had working capital of approximately $2.5 millions or over $3 a share at end of 1944, an increase of approximately $200,000 from a year previous.

Interests have been maintained in Coniaurum Mines, Sturgeon River Gold Mines, Kenora Nickel and Desjardin Mines and the company has been receiving shares for expenditures in properties financed jointly with Howey Gold Mines, Northern Canada Mines, Anglo-Huronian and Gunnar Gold. All expenditures in connection with prospecting were charged to the year's operations.

CONSOL. INCOME ACCOUNT

Years Ended Dec. 31:	1944	1943
Inc. fr. invests.	$56,509	$65,360
Prof. on sale of secs.	98,994	159,034
Misc. income	278	1,207
Total revenue	155,781	225,601
Less: Admin. & devel. exps.	104,107	54,660
Net profit & surplus	51,674	170,941
Earnings per Share	$0.07	$0.24
No dividends paid.		
Working capitals	1,766,689	1,718,733

Prospectors Airways Co.

Apart from examining various mining properties in co-operation with other mining companies, Prospectors Airways Co., did not undertake field operations during 1944. There was very little change in shareholdings in other companies, apart from the sale of shares in McWatters Gold Mines.

The company holds a small interest in options to purchase shares of East Amphi Gold Mines where considerable diamond drilling was carried out in 1944 and indicated a zone 2,000 ft. long in which good ore intersections were obtained, but no ore body could be correlated. Current assets as at Dec. 31, 1944, totalled $274,190 as against current liabilities of $6,637.

INCOME ACCOUNT

Years Ended Dec. 31:	1944	1943
Dividends earned	$3,418	$3,839
Fees	7,800	5,410
Sundry rev.	1,479	898
Less: Oper. exps.	13,010	15,324
Net oper. loss	313	5,177
Add: Loss sale sec.	......	22,817
Less: Prof. sale sec.	43,922	......
Net profit	43,609	*27,994
*Loss.		
Earned per share	$0.06	d$0.04
No dividends paid.		

Dom. Engineering

Dominion Engineering Works Ltd. value of new orders booked in 1944 was less than 1% above the bookings of the previous year but there was a substantial increase in sales of regular commercial products. Manufacturing operations in 1944 were on a somewhat reduced scale compared with 1943, President W. F. Angus states. Unfilled orders on hand at the end of the year were equivalent to approximately nine months' production at the present rate of operations.

Liability for income and excess profits taxes for the four years ended Dec. 31, 1944, had not been finally determined.

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	1944	1943
Net earnings	$1,673,687	$2,505,774
Less: Depr., etc.	388,417	513,750
Dev. & research	82,702	161,095
Inc. tax res.▲	683,021	1,392,952
Net profit	519,547	437,977
Less: Divds.	‡250,000	■250,000
Surplus for year	269,547	187,977
▲Incl. refund. EPT	68,800	103,965
‡Dividend for 1943.	■Dividend for 1942.	
Earnings per Share and Dividend Record:		
Com: Excl. ref. EPT	$4.16	$3.50
Incl. ref. EPT	4.71	4.34
Paid	†	†
†$2 paid for 1942 on May 15, 1943; $2 for 1943 on May 17, 1944.		
Working capital	4,241,208	2,906,214

United Steel Corp.

Contracts on the books of United Steel Corp. are now in good volume, including considerable export business, and provide a substantial back-log for continuing production, T. J. Dillon, president, states. Reconversion offers no great problem to any of the company's plants or activities, the president says, since the company is assured of a substantial volume of business from the mining, pulp and paper, plastics and other industries. In addition the company has been developing and improving over the past year its range of standard manufactured goods and this is expected to assist materially postwar business possibilities.

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	1944	1943
Net earnings	$936,227	$1,355,412
Less: Deprec.	167,344	258,200
Bond. int. & dsc.	43,946	49,918
Adj. life ins.	596	620
Prov. for taxes▲	542,528	896,025
Net profit*	181,813	150,649
Less: Cl. "A" divd.	35,637	34,137
Com. divd.	......	70,376
Surplus for year	146,176	46,136
▲Incl. refund. EPT.	85,638	157,993

*Note: Co's. report for 1944 includes ref. EPT in net profit and surplus for year.

Times Bond Interest Earned:	1944	1943
Before deprec.	23.08	32.22
After deprec.	18.96	26.08
Earnings per Share and Dividend Record:		
Cl. A: Excl. ref. EPT	$7.65	$6.62
Incl. ref. EPT	11.26	13.56
Paid	1.50	1.50
Com.: Excl. ref. EPT	0.31	0.25
Incl. ref. EPT	0.49	0.58
Paid	......	0.10+0.05
Working capital	1,438,615	1,066,935

Great Lakes Paper Co.

Volume of mill production for The Great Lakes Paper Co. for 1944 was restricted to available wood supply. Approximately 77% of paper mill capacity and 83% of surplus sulphite pulp capacity was shipped during the year.

Volume of pulpwood cut in season 1944-1945 was substantially increased. Full benefits from this will be postponed due to unusually early spring break-up.

Capital expenditures for woodland operations were $312,040 and for mill improvements were $151,247 in 1944. The company is now proceeding with expenditures, approximately $300,000, for installation of pulp drying and other equipment to effect reduction in the cost of handling and delivery of its export pulp production. A continuance of the present strong demand to reduce the cost of handling and delivery.

Arrears of dividends on the Class "A" and Class "B" preference shares were $10.25 per share at Dec. 31, 1944.

INCOME ACCOUNT

Years Ended Dec. 31:	1944	1943
Net oper. profit	$1,648,653	$1,914,394
Less: Spec. assess.	6,937	327,050
Depreciation	685,845	768,098
Depl., timber lic.	123,449	......
Bond interest	246,748	250,206
Tax prov.	265,000	220,000
Net profit	320,674	349,040
Less: "A," "B" divs.	300,000	300,000
Surplus for year	20,674	49,040
Times Bond Interest Earned:		
Before deprec.	6.65	6.34
After deprec.	†3.37	3.27
†Also after depletion.		
Earnings per Share and Dividend Record:		
Class "A" & "B":		
Earned■	$1.60	$1.75
Earned▲	1.60	1.75
Paid	1.50	1.50
Com.: Earned▲	d0.26	d0.17
■Before (▲after) participation.		
Working capital	3,806,693	3,700,449

Can. Light & Power

Repairs to canals, culverts and the powerhouse have been continued during the year, The Canadian Light & Power Co. reports, but further expenditures will be necessary to place the plant in first class condition. As a result of the slow freeze up in November and December the company was able to maintain existing contracts without the purchase of as much power from other sources as in former years with, as a consequence, a saving of $42,731 in comparison with the expenditure for 1943. Expenses incurred and anticipated in connection with repairs and maintenance of the plant caused the directors to defer action on the dividend for the last half of the year.

INCOME ACCOUNT

Years Ended Dec. 31:	1944	1943
Net earnings	$293,854	$281,402
Less: Deprec.	110,000	95,000
Bond interest	131,257	133,086
Income tax res.▲	28,697	19,358
Net profit	23,900	33,958
Less: Divds.	16,624	33,248
Surplus for year	7,276	710
▲Incl. refund. EPT	1,770	......
Times Bond Interest Earned:		
Before deprec.	2.24	2.11
After deprec.	1.40	1.40
Earnings per Share and Dividend Record:		
Excl. ref. EPT	$0.72	$1.02
Incl. ref. EPT	0.77	1.02
Paid	0.50	1.00
Working capital	611,338	616,079

DIRECTOR

Carr Hatch, elected to the board of Canada Malting Co. He is assistant general manager; has been in the Navy for four years.

EXPORT - IMPORT

If you have export or import orders but lack the necessary organization or capital, an established, reliable company will transact such business with or for you. All replies will be kept strictly confidential and will be promptly turned over to our client.

J. J. GIBBONS LIMITED
Advertising Agency
200 Bay St.

Transterra Mines advises that L. F. Gauvreau, mining engineer, will supervise surface work on the point of original discovery on its Yellowknife property where geology is similar to that of the surrounding properties. Diamond drilling is to follow, it is reported.

THE Dominion Life ASSURANCE COMPANY
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HEAD OFFICE WATERLOO ONTARIO
Special Plans for Special Needs

... THEY HAVE NOT WAVERED!

..."INVEST in the BEST"

● Only six years ago they were boys—busy at school and store, factory and farm—but what men they have proved themselves to be. Through hardship and home-sickness and suffering, they have stood up against the world's most highly-trained armies without flinching—because their country needed them. For them there was no wavering, no turning back. They have earned to the full our admiration and our respect.

And now Canada—through her Eighth Victory Loan—is calling to us—and for us at home there can be no wavering, either. With the inspiration before us of their sacrifice and courage, can we do less than back them up with every dollar and effort we can possibly muster.

BUY VICTORY BONDS

NATIONAL WAR FINANCE COMMITTEE

INVEST IN THE BEST

The Financial Post

INVEST IN THE BEST

Vol. XXXIX | Ten Cents an Issue, Five Dollars a Year | Publication Office: Toronto, May 5, 1945 | Member of Audit Bureau of Circulations | No. 18

Our War in Europe

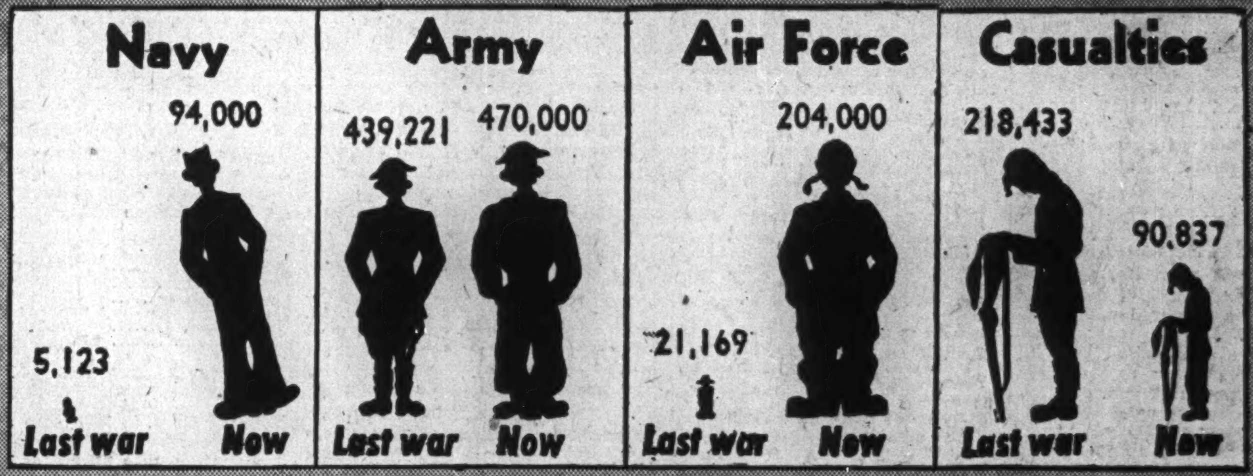
To the right is depicted in summary form the physical side of Canada's five and a half years of progress toward victory in Europe. These men and women at work and at war, these munitions, foodstuffs and supplies are the tangible results of our national will and the web of money, material and manpower controls we have employed to reach our goal.

Almost as significant as the totals themselves is the fact that most of this war effort has been based on the economic structure of 1939. While important additions to our productive capacity have taken place, only three of the basic raw materials of industry—steel, aluminum and electric power—have shown major expansion. Outside of these and a few other cases where basic resources have been added to, virtually all of Canada's war effort has been based on the full utilization of the resources that had been built up through long years of enterprising freedom.

Background to Victory in Europe

The Canadian Fighters

No cold figures can measure the true significance of Canada's contribution to United Victory in Europe. More important, perhaps, than the total weight of Canada's effort was its timing. In 1940, when the British nations faced the axis alone, Canada was the second strongest power opposing Hitler. Since those days when the light so nearly flickered out, three quarters of a million Canadians in uniform have established a military record unexcelled by any.



Canadian War Supplies

These are some of the weapons Canadians at home forged for our forces and our allies. To the end of 1944, the Department of Munitions & Supply and its predecessors spent nearly $14 billions—more than three times our pre-war national income. To produce the complex weapons of a mechanized war, Canadians became for a time inhabitants of a giant arsenal. Of the munitions and war supplies purchased, 53% went to members of the British Commonwealth outside Canada, 12% went to the United States, 1% to other United Nations.

- 1,000 ships of all types, plus nearly 7,000 small craft
- 700,000 trucks, other mechanical transport
- 45,000 tanks and self-propelled guns
- 15,000 planes, chiefly advanced trainers
- 50,000 guns — complete artillery units
- Machine guns, other small arms: 1,400,000
- Heavy shells: 111,000,000
- Small arms ammunition: (rounds) 4,200,000,000
- Steel (long tons of ingots): 11,982,000
- Chemicals & explosives (short tons): 1,500,000

Canadian Aid to Allies

With the munitions of war has gone aid in other forms: metals, food, lumber — many other Canadian products. Canada's new synthetic rubber plant, after only 15 months' operation, was able to supply essential Canadian needs and export to our allies as well. British nutritionists have said that without Canadian bacon, cheese, eggs, other farm products, Britain's diet might have sunk to starvation level. Much of the aid to the nations in the forefront of the battle went under Mutual Aid (Canada's Lend-Lease plan), or as a free gift to the beleagured

Metals

Canada supplies . . .

- 85% of the nickel
- 78% of the asbestos
- 35% of the aluminum
- 20% of the zinc
- 14% of the copper

. . . used by the United Nations

Mutual Aid and Gifts

	(Millions)
United Kingdom*	$2,500
Russia†	23
Australia†	21
China†	4
Total including other	*$3,900

*Est. to Mar. 31, 1945.
†To Mar. 31, 1944.

Trade (Millions)

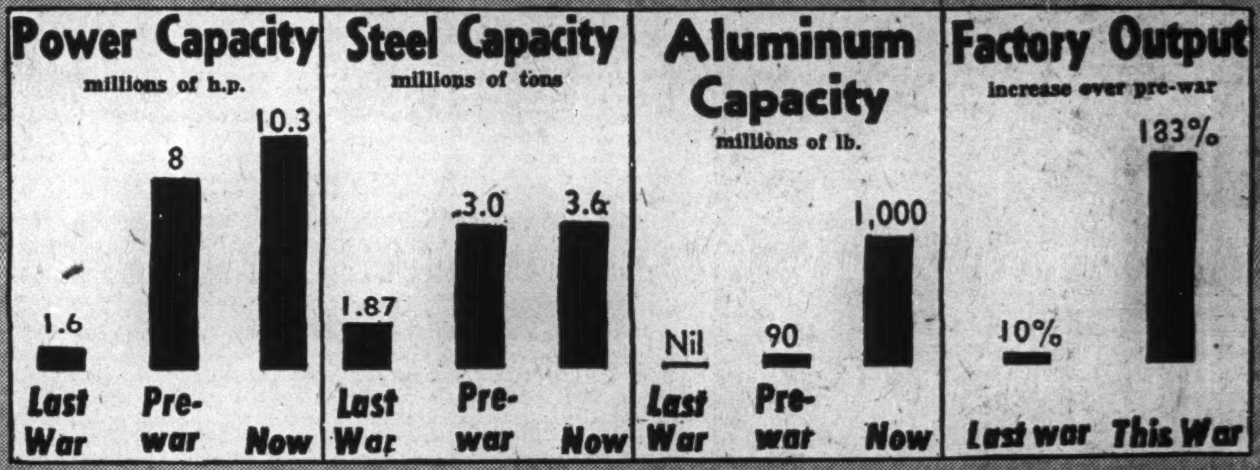
	Imports	Exports
1940	$1,082	$1,193
1941	1,449	1,640
1942	1,644	2,385
1943	1,735	3,001
1944	1,759	3,484

TOTAL TRADE

This war	$19,372
Last war	7,852

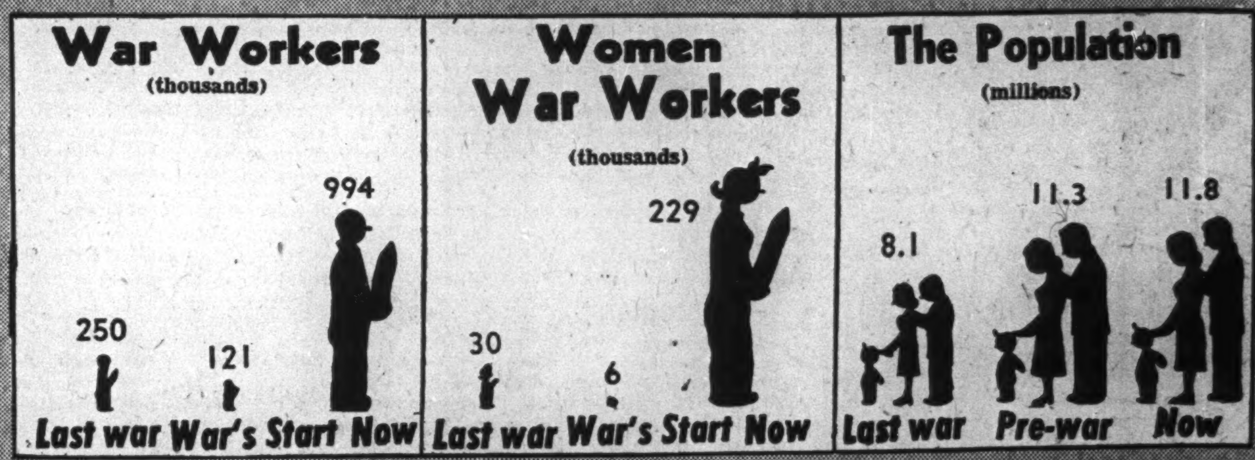
Canadian Industrial Might

Canada went into the war an agricultural nation, with much of her industrial potential undeveloped. When France fell in 1940, and Canada became chief supplier to blitzed Britain, an enlarged, fast-moving industry became imperative. By mid-1943 nearly 40% of Canada's adult population was in non-agricultural industry, only 11% on farms. New industries were developed, old ones worked at top speed. Typical was the steel industry—basic to war—which turned out enough ingots to make a double-track railway around the entire world.



The Canadian People

Behind all this stand the Canadian people, who enlisted in the armed forces, or worked on the home front harder and longer than ever before. More than 65% of the 8.9 million Canadians over 13 years old are in the armed forces, in industry, or on farms. Most of the other 35% are homemakers and students, fully occupied. Half the national production has been devoted to war. Canadians know this is the greatest united effort they have ever made, are conscious that its scope and magnitude have set new goals for reconstruction and a lasting peace.



Charts by The Financial Post

Many Changes Proposed For Dumbarton Oaks

Charter Revision, Veto Power, Avoidance of Delayed Action and Status of Mandates Must All Be Cleared Up at Frisco

By BLAIR FRASER
Ottawa Editor, Maclean's Magazine

SAN FRANCISCO—Something in the neighborhood of 60 to 70 amendments to the Dumbarton Oaks charter will have been submitted when the deadline arrives at the end of this week—Mexico alone has turned in 28 single-sheeted pages of suggested changes—but the general burden of them can be boiled down into a few major headings.

Top of the list is the unopposed suggestion that the United Nations charter should include what Field Marshal Smuts called "a declaration of human rights and of the common faith which has sustained the allied peoples in their bitter and prolonged struggle for the vindication of those rights and that faith." The omission of such a declaration has been a main cause of criticism of the Dumbarton Oaks draft, but apparently it was omitted there only because it was not deemed a bureaucrat's job. Here, nobody is against it. As one speaker remarked, "we're at war because there are some things we value more than peace;" the final charter will contain no suspicion that it would sanction peace at any price.

Revision of Charter

Probably the next most popular change is the introduction of some method whereby the charter itself may be amended. Australia has asked that the United Nations organization be given power to amend its own charter, without the present right of any great power to veto any change. Soviet Russia is deemed unlikely to agree to this—she values the veto power dearly, and is expected to point out that if the charter could be amended in defiance of veto, the veto itself could be abolished by such amendment.

United States, however, is coming up with the suggestion that the charter be subject to revision at a future United Nations constitutional convention. This is precisely in line with the idea expressed by Prime Minister King in the Canadian parliament. It's hoped that the Soviet Union might agree to this. Britain has also indicated support, and none of the smaller powers is likely to differ.

Another group of United States amendments, of which there are 16 in all, would give the assembly the right to recommend the revision of treaties and the removal of conditions that might lead to a breach of the peace. It's uncertain what reception will be given to this. Dumbarton Oaks places no special limitation on the right of the assembly to recommend anything, with the sole exception that it must not make recommendations concerning matters under the consideration of the security council. But whether the other powers would like to have spelled out a specific right to recommend treaties revision, is something pretty doubtful.

Avoid Excessive Delay

On this point, Australia has made the sensible suggestion that although the assembly should indeed refrain from recommending to the security council action on matters which it has under consideration, there ought to be some kind of time limit on this consideration by the council Australia wants definite prevention of matters becoming "frozen" in the security council—this, said deputy Prime Minister Forde, was how Japan first demonstrated how the Axis could snap its fingers at international order.

As to the much-discussed veto power for the big five, it doesn't look as if any serious attempt will be made to challenge this, much as it is disliked by many nations. Australia, however, does suggest that peaceful settlements should not be subject to veto by any great power. Under the Yalta formula, peaceful settlements will not be vetoed by a great power which itself is party to the dispute. Australia can't see why it's the business of any of the big five, whether party to the dispute or not, to veto a peaceful settlement.

Undoubtedly a source of much debate will be the question of regional arrangements. Insecure powers like France and Australia want regional arrangements to operate more or less independently of the security council—they fear action might be delayed, by use of the veto power or otherwise, and the protection of regional pacts thus weakened. On the other hand, Britain and some other nations are greatly concerned to maintain the prestige and supremacy of the security council. One of the things that weakened the League, they recall, was the multiplicity of pacts like Locarno which, just because they proclaimed the same objectives as the covenant, implied a distrust of the League's ability to reach those objectives.

What About Mandates?

Another hot spot will arise over the question of mandates, or as they are now called, trusteeships. Up to the time this conference met, the United States delegation itself was split on the issue—the army and navy wanted United States to take over full sovereignty in Pacific bases captured from the enemy, whereas the state department held out for the international trusteeship method.

A compromise has been worked out during the past ten days, whereby two distinct types of mandated territory will be recognized. One type will be called "strategic areas"—places like Guam, useful as bases and for little else. Over these the trustee power will have almost unlimited sovereignty. It will report, briefly and superficially, to the security council and the military staff committee, but generally speaking, it will run its own show.

The other type will be called "trusteeship areas"—places which have a large dependent population, large natural resources, or in other ways call for intelligent and enlightened development. Over these areas the sovereignty of the trustee power would be much more limited. It will report fully, and subject to examination, to a special trusteeship council of the assembly, similar to the proposed economic and social council.

This compromise has united the American delegation, and is likely to be acceptable to the other powers so far as it goes. What bothers the other powers is an issue of their own, one on which Britain and some of her own Dominions disagree. That is, shall the principle of international trusteeship apply only to areas taken from the Axis or shall it apply to all dependent peoples?

Australia, for one, thinks it should apply to them all. This is not a view that is likely to be shared by either the British or the Dutch.

Can Inflation Controls Hold Line After V-E?

Special Correspondence

WASHINGTON—Executives here, observing signs of a rapidly shaping consumer spending spree, see in it a strongly inflationary situation which will require tight controls for a time in the field of retail prices and consumer goods. A House special committee on postwar economic policy and planning recently reported: "Potential buying power in the form of accumulated liquid savings is so unprecedentedly large that if put to active use it could build up a demand for goods in excess of available supply and thus bring about an inflationary development. The situation is potentially unstable and a marked trend in either direction could easily lead to unhealthy boom or to depression."

The facts reveal that a backlog of consumer power of at least $70 billions exists in United States, and it is growing steadily. About $25 billions of this represents deferred demand, the remainder is derived from increased money supply arising from credit expansion. Liquid savings of individuals, held in victory bonds, bank deposits, and in cash, are increasing at the rate of $25 billions annually. The crucial test of American controls, it is believed, is found on the psychological level when Germany is declared defeated. The decision of millions of individuals will determine whether or not the accumulated savings from the war period are released in a flood of buying and speculation.

Real estate values in many parts of the United States have doubled since depression-low values before the war. Taking notice of this inflation sign, the American Bankers Association has circularized 13,000 country banks warning them against the risk of speculative real estate loans at this time. Figures prepared by the ABA showed that the real estate boom is uneven, with wartime increases ranging from 17% in North Dakota to 96% in South Carolina. The index showing the national average of real estate prices is 126% higher than the 1912-14 average, and in seven states the boom already exceeds the highest levels reached during the 1929 high.

This is not entirely a bank credit boom, however, since the Department of Agriculture has reported that farm mortgage debts in 1944 reached a level of 78% lower than the pre-war level, and that 44% of farm sales last year were made in cash. Still the situation warrants a tighter policy on new mortgage loans, and the most likely step to discourage speculation in land values, according to Washington circles, will be a heavy tax on capital gains, if the land boom begins to get out of hand.

U. S. anti-inflation controls are less rigid than Canadian, according to Washington opinion, and the reason usually advanced for this is that a degree of flexibility is required for quick adjustments to war problems. Since the production record achieved in Canada compares proportionately with that in United States, this argument loses much force. Recently, wage concessions to the coal industry were granted, necessitating an increase in coal prices which price controllers have not finally estimated. It will be about 19c. per ton.

To meet criticism, OPA recently allowed an increase of 25c. per cwt. in the beef subsidy, and the OPA added 50 investigators to its staffs in order to stamp out black markets in meat. Concessions of a 15% pay increase for federal government workers, has been defended by George W. Taylor, chairman of National War Labor Board, as a measure to bring such wages into line with the policy of allowing a 15% increase in basic wages from the 1941 level to the point of "freeze" at the Sept. 15, 1942, level. The line between flexible control and a stiff dose of inflation is hard to determine.

March Merchandise Exports More Than Half Peace Goods

Poland appeared in Canada's domestic merchandise export statistics this March for the second time since the early months of the war. Her first reappearance was in February, 1945, when Canada sent her $514,000 of exports. The March figure was up to $827,000.

Merchandise exports in total were 6.5% higher this March than they were in March, 1944. For the entire first quarter, merchandise exports rose 2.2% to a total of $768 millions.

Items intended mainly for war purposes accounted for not quite half of the March exports: $144 millions of a total of $301 millions. The proportion was slightly smaller than it was last March.

Merchandise exports to the British Empire in March increased more than average: 14.3%, for the month, 5.5% for the quarter. Dollar value of these shipments for the month amounted to $155 millions. Exports to the United States increased to $103 millions.

COMPANY REPORTS

Famous Players Can.

Famous Players Canadian Corp. now operate more than 300 theatres located in every province in Canada and Newfoundland and entertain more than two million persons every week. Plans have been formulated for extensive theatre construction and renovation when present Government controls are removed. Company executives are watching with interest and keeping abreast of any new ideas that may be developed during the postwar period and will be prepared to take the fullest advantage of them, J. J. Fitzgibbons, president, states.

CONS. INCOME ACCOUNT

Years Ended:	Dec. 30 1944	Jan. 1 1944
Net earns. fr. oper. ..	$4,867,618	$4,898,057
Less: Bd. int., etc. ...	256,160	277,282
Depreciation	719,828	737,918
Amortization	71,880	80,686
Inc. tax res.‡	2,900,000	2,950,000
Minor. shares	9,884	9,556
Net profit	909,866	842,615
Less: Com. divds.	645,786	645,786
Surplus for year	264,080	196,829
‡Incl. refund. EPT..	457,150	480,000
Times Bond & mtge. Int. Earned:		
Before deprec.	19.00	17.66
After deprec.	16.19	15.00
Earnings per Share and Dividend Record:		
Com.: Excl. ref. EPT	$2.11	$1.96
Incl. ref. EPT	3.18	3.07
Paid	1.50	1.50
Working capital	2,049,283	2,068,543

Colonial Steamships

Retained net profit for Colonial Steamships Ltd. for 1944 amounted to $217,096 as compared with $173,298 for 1943. Working capital was up $165,000 at $965,266 at Dec. 31, 1944. A reserve for replacements was set up through transfer of $825,000 from surplus account.

INCOME ACCOUNT

Years Ended Dec. 31:	1944	1943
Net earnings	$1,149,532	$1,253,601
Less: Fund. debt int.	......	25,564
Depreciation	49,436	81,739
Inc. tax prov.‡	883,000	973,000
Net profit	217,096	173,298
Note: Co's. report includes ref. EPT in net profit and surplus for year.		
‡Incl. refund. EPT..	148,000	172,000
Less: Dividends	90,000	75,000
Surplus for year	127,096	98,298
Earnings per Share and Dividend Record:		
Com.: Excl. ref. EPT	$7.24	$5.78
Incl. ref. EPT ...	12.17	11.51
Paid	3.00	2.50

B. C. Power Corp.

Electric power delivered by British Columbia Power Corp. in 1944 of 696,981,097 kw.h. showed a 4.5% increase over the 666,882,069 kw.h. sold in 1943. While there was some reduction in the industrial power required for shipbuilding, this was more than taken up by the increased requirements of the lumber industry. Restrictions upon the use of metals were relaxed during 1944 for rural extensions, with the result that 2,481 rural residential and farm customers were connected to bring the accumulated total to 25,116 at the year-end.

Manufactured gas sold of 2,346,450,000 cu. ft. increased 2.95% over the 2,279,227,000 cu. ft. sold in 1943. The number of passengers carried by company's railway facilities increased 7.46% over 1943 and totalled 141,445,964 passengers.

The net capital additions for the year totalled $2,076,092. Of the total expenditures, $727,580 was for connecting additional electric customers, chiefly in rural areas. The construction of the additional 8,000 kv.a. turbo-generator at Brentwood Steam Station on Vancouver Island was completed, and the unit went into operation in May, 1944. Payment was completed for 17 PCC streetcars and 20 passenger buses were purchased in 1944.

The broad lines of company postwar plans calls for an expenditure of $50 millions in a 10-year development program.

Gross revenues from operations amounted to $25,207,072 in 1944, an increase of $1,372,501 or 5.76% over 1943. Operating costs amounted to $21,424,321 in 1944, up 7.25% over 1943.

CONSOLIDATED INCOME ACCOUNT

Years Ended Dec. 31	1944 $	1943 $
Net oper. income	10,361,194	11,707,918
Less: Depr. & renew.	2,829,359	3,039,209
Empl. pens. fund ...	1,176,237	400,000
Inc. tax res.‡	2,540,000	4,350,000
Net revenue	3,815,598	3,918,709
Less: Fixed charges:		
Bond int.	1,473,242	1,488,966
Bond disc. w/o ...	69,957	72,512
Subs. pfd. divs.	621,840	621,840
Net profit	1,650,559	1,735,391
Less: Cl. "A" divds. .	1,600,000	2,000,000
Surplus for year	50,559	▲264,609
‡Incl. ref. EPT	190,000	530,000
▲Deficit.		
Times Fixed Charges Earned:		
Before depre. & renewals	3.07	3.19
After deprec. & renewals	1.76	1.79
Earnings per Share and Dividend Record:		
Before partic.:		
Cl. A: Excl. ref. EPT	$1.65	$1.74
Incl. ref. EPT	1.84	2.27
Paid	1.60	2.00
After partic.:		
Cl. A: Excl. ref. EPT	1.65	1.74
Incl. ref. EPT	1.84	2.13
Cl. B: Excl. ref. EPT	d0.35	d0.26
Incl. ref. EPT	d0.16	.013
Paid Cl. B	nil	nil
Working capital	776,719	1,498,598

Cassidy's Ltd.

Sales in Canada during 1944 for Cassidy's Ltd. were the largest in its history and inventories have been well maintained. At the present time business continues at about the same level as last year.

During the year the holdings of Elkington & Co. were disposed of to New Trading Co., London, Eng., the consideration being $1 million and 80,000 "B" ordinary shares of Elkington & Co., which shares were created on the reorganization of that company. Sale of these shares has improved working capital position, the ratio of current assets to current liabilities now being 4.78 to 1. It has been recommended to the incoming board that an additional payment of 3% on account of arrears be made before the end of the year if favorable conditions continue. Preferred dividend arrears as at Dec. 31, 1944, amounted to $254,646.

It is proposed to effect a reduction in the paid-up capital by the cancellation of a total number of 25,835 common shares and 70 preference shares.

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	1944	1943
Net earnings	$550,483	$1,852,639
Less: Deprec.	18,639	128,211
Int. on loans	10,257	12,414
Income tax reserve‡	399,804	1,493,497
Net profit	121,783	218,517
Less: Pref. dividends.	113,176	141,470
Surplus for year	8 607	77,047
‡Incl. refund. EPT..	60,488	53,727
Earnings per Share and Dividend Record:		
Pref.: Excl. ref. EPT	$7.53	$13.52
Incl. ref. EPT	11.27	16.84
Paid	7.00	7.00+†1.75
Com.: Excl. ref. EPT	0.12	1.42
Incl. ref. EPT	0.93	2.14
None paid.		
†Arrears.		

Can. Int. Paper

Net loss for 1944 for Canadian International Paper Co. amounted to $515,198 exclusive of $276,871 refundable portion of excess profits taxes. This compared with a net loss of $760,452 for 1943. The consolidated income tax returns for the years 1934 through 1940, were reviewed by the Dom. Income Tax Dept. early in 1942, and a tentative settlement paid by the companies. This settlement has not been finally approved by the income tax authorities. The tax returns for the years 1941 and 1942 were reviewed by the Dom. Income Tax Dept. in 1944, but assessments have not as yet been received with respect to these years.

The annual meeting on Apr. 27, 1945 was routine in character, with directors being re-elected and officers reappointed.

CONS. INCOME AND SURPLUS ACCOUNT

Years Ended Dec. 31:	1944	1943
Net earnings	$10,023,594	$9,537,003
Less: Deprec.	4,365,999	5,194,997
Depletion	581,608	553,155
Int. on sub. oblig. ..	753,485	752,924
Int. on first mtge. bds. & pr. liens ..	917,160	922,943
Other int.	1,791,176	1,786,781
Amort. of disc. ...	286,454	283,122
Income taxes‡	1,842,910	803,533
Net loss for year	515,198	760,452
‡Incl. ref. EPT....	276,871	......
Working capital	43,250,558	36,155,895
*Note: Co's. report includes ref. EPT in net loss for year.		
Times Fixed Charges Earned:		
Before deprec. & delet.	2.67	2.55
After deprec. & deplet.	1.35	1.01

Claude Neon

Since the removal of the sign lighting prohibition at the beginning of Oct. 1944, the Neon department of Claude Neon General Advertising Ltd., has been fully occupied with the rehabilitation of signs but for the time being, the increased revenue from this service is almost entirely offset by the cost of supplying it. The manufacture of new signs is still restricted due to scarcity of skilled labor and restriction on materials.

A special general meeting of shareholders may be called before the end of the year to consider a plan of reorganization. In the meantime directors have the assurance of the bondholders that no action will be taken by them without ample notice being given to the company, president J. R. Robertson states.

*CONS. PROFIT AND LOSS ACCOUNT

Years Ended Dec. 31:	1944	1943
Net earnings	$44,598	$41,680
Less: Deprec.	30,735	30,077
Bond interest	11,603	11,603
Income taxes	905	......
Net prof. & surp.	1,355	‡nil

*Excluding accounts of E. L. Ruddy Co. Ltd. ‡Balance after bond int. transferred to deprec. res.

John A. Lang & Sons

The current demand for products of John A. Lang & Sons is very great and production has been maintained during 1944 at about the same level as the previous year. The company has no reconversion problem. All mililtary production can be quickly replaced with leather suitable for civilian use without material changes in plant facilities. Joseph H. Lang, president, states that it is unlikely that the company will be seriously affected by cancellation of contracts or by war surpluses.

During 1944, substantial progress was made in improving the products of the company through extensive research. These improvements should be of benefit in the postwar period, the president said.

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	1944	1943
Net earnings	$296,696	$302,703
Less: Deprec.	12 185	20,878
Prov. for taxes	112,500	112,000
Net profit	172,011	169,825
Less: Dividends	100,000	100,000
Surplus for year	72,011	69,825
Earnings per Share and Dividend Record:		
Com.: Earned	$1.72	$1.70
Paid	0.70+0.30	0.70+0.30

General Trust

Net profit of General Trust and Executor Corp. in 1944 after deducting expenses of management and depreciation, was $12,344 as against $14,189 in 1943. A stronger liquid position was maintained throughout the year resulting in slightly lower earnings for the period. First mortgage investments were higher at $850,657 as sufficient new loans were made during the year to offset heavy repayments made on principal accounts by mortgagors. The paid-up capital of the company was increased from $252,300 to the authorized capital of $300,000.

	1944	1943
Liab. to public, etc.*..	$1,034,776	$939,464
Shareholders' equity .	317,537	315,285
*Secured by:		
Mortgages	850,657	847,386
Office premises† ...	51,960	52,930
Other assets‡	449,696	354,433
Total	1,352,313	1,254,749
†After depr. of	23,175	21,556
‡Includes bonds and stocks.		
Estates account	1,534,802	1,208,897
Earned per Share	$4.89	$5.62
Paid	4.00	4.00

Prudential Trust

Prudential Trust Co. has on hand liquid assets well in excess of all obligations to the public and to shareholders. There was an appreciable increase in gross revenue in 1944 due largely to a revival of trading on the stock exchanges. Profit and loss account now stands at $162,716. The matter of resuming payment of dividends has been considered by directors but postponed until the standard profits of the company for income tax purposes have been definitely determined.

	1944	1943
Liab. to public, etc.*..	$15,764	$20,766
Shareholders' equity .	337,986	307,067
*Secured by:		
Mtges. & sals. agree.	6,240	2,589
Office premises	67,632	71,501
Realty for sale	39,521	54,993
Other assets‡	240,357	198,750
Total	353,750	327,833
‡Includes stocks and bonds.		
Estates account	3,265,511	3,020,334
Earned per Share	$1.41	$0.52
None paid.		

Report on Cartels Is Being Rushed

OTTAWA (Staff)—The Canadian study on cartels, now being made under the chairmanship of Fred W. McGregor, will be completed in time for presentation to the new Parliament, it is hoped.

Special assistance has been obtained by the Commission to enable it to complete, during the summer, its analysis of the important briefs and submissions made to it early this year by several hundred Canadian companies and organizations concerned with this problem.

These representations have now been completed and it is hoped that the report will be available by the time the next government establishes itself at Ottawa.

Can. Shipbuilding

Properties of Canadian Shipbuilding & Engineering Ltd. have been working to capacity during 1944, subject only to manpower available. The company is engaged on contracts that will keep it fully employed for deliveries up to the close of navigation on the Great Lakes in 1945. There are some small balance of contracts that will carry over for delivery in 1946, and additional business to provide full operation during 1946, is anticipated.

CONSOLIDATED INCOME ACCOUNT

Years Ended Dec. 31:	1944	1943
Net income	$2,563,142	$2,184,797
Less: Deprec.	553,297	905,225
Income tax‡	1,543,802	833,300
Net profit	466,043	446,272
Less: Com. divds.	52,000	26,000
Cl. "A" divds.	15,600	......
Cl. "B" divds.	41,600	......
Surplus for year	356,843	420,272
‡Incl. ref. EPT	241,600	102,000
Earnings per Share and Dividend Record:		
Com.*: Excl. ref. EPT	......	$8.58
Incl. ref. EPT	......	10.54
Paid	1.00	0.50
Cl. "A": Excl. ref. EPT	7.96	......
Incl. ref. EPT....	12.61	......
Paid	0.30	......
Cl. "B": Excl. ref.EPT	1.84	......
Incl. ref. EPT	3.00	......
Paid	0.20	......

*In 1944, common shares were reclassified into "A" & "B" shares.
Note: Without taking into consideration surplus adjustments due to renegotiation.

Guardian Trust

The scope of Guardian Trust Co.'s services at home, in the United States and in Great Britain is being broadened from year to year, A. Stanger, president, states. In the postwar period there is ample evidence that these services will extend to numerous points on the continent. The company has entered 1945 with a higher backlog of new and prospective business than in any previous year, the president says.

Income of Guardian Trust and its subsidiary amounted to $109,683, an improvement of 6.6% over the preceding year. During the year estates and trusts in care were discharged to the amount of $1,028,752. New trusts accounts were added in the amount of $1,079,769.

	1944	1943
Liab. to public, etc.*.	$132,603	$8,322
Shareholders' equity .	297,699	296,181
Total		
*Secured by:		
Mortgages	6,376	6,950
Office premises ..	301,912	•170,023
Other assets‡	122,014	127,530
Total	430,302	304,503
‡Includes bonds and stocks.		
•Premises owned by sub.; consolidated in 1944.		
Estates account	8,609,346	8,558,329
Earned per Share† ...	$4.12	$4.26
Paid	2.00	nil
†Based on amount paid up on capital stock.		

Royalite Oil Co.

Drilling operations in the Turner Valley field were continued by Royalite Oil Co. in 1944, and considerable acreage was acquired in an area lying north of Turner Valley known as New Valley. A test well is being drilled on the new ground.

A substantial capital addition to plant and equipment of Madison Natural Gas Co., a subsidiary handling natural gas operations in Turner Valley, was made during the year. As the result of a hearing before the Board of Public Utility Commissioners the rate base of Valley Pipe Line Co., a subsidiary, was reduced and moneys invested in the company in excess of the allowed rate base have been returned by way of a capital disbursement of $3 per share on issued capital of that company.

Consolidated income for 1944 was $2,036,210, and after deducting operating costs, depreciation, depletion, amortization and taxes, the net profit was $648,472. Current assets as at Dec. 31, 1944, were $4,882,639 as against current liabilities of $1,018,942. Investments in shares of a partly owned subsidiary company totalled $135,580.

Ajax Oil & Gas Co.

Ajax Oil & Gas Co. in its annual report for 1944 advises that Chatham Oil Company's shares of production from the Wyoming leases (25% interest) amounted to 135,393.19 bbls. of oil valued at $111,667. Results of drilling in 1944 were most satisfactory, A. J. Anderson, president reports, and it now appears that the structure will extend a distance of five miles from north to south and from a mile and a half from east to west. A new well has been started two miles north of present production. Application has been made to lay a 40-mile, 6-in. pipe line to enlarge deliveries.

The various wells undertaken have been financed by bank loans and at present rate of production nine wells will be free of debt by October or sooner, the president states. Consolidated net loss for the year was $84,491. Current assets as at Dec. 31, 1944, were $55,095 as against current liabilities of $102,770.

BUY VICTORY BONDS
MAKE VICTORY STICK

Stavert to Head Consol. Mining

MONTREAL (Staff) — S. G. Blaylock, formerly president, has been named chairman of the board of Consolidated Mining & Smelting Co. of Canada, and R. E. Stavert, formerly executive vice-president, has been promoted to the presidency.

D. C. Coleman, president of Canadian Pacific Railway Co. parent company of Consolidated Mining, has been named vice-president of the mining company. No changes are being made in the membership of the Executive Committee.

H. Simon Sales Up

MONTREAL (Staff)—Sales of H. Simon & Sons, Ltd., during the first four months of the current fiscal year showed an increase over year before, and a successful year was in prospect for 1945, stated Arthur Simon, president, at the annual meeting. Tobacco supplies on hand were stated to be sufficient for the present.

BOOST BOND BUYING

We're Fighting For Freedom!

Why not take advantage of the freedom which is now yours — while you live — to choose a thoroughly safe and experienced executor to carry out the terms of your Will?

Our wide experience and long established organization enable us to act with unusual thoroughness in this capacity. We'll be pleased to receive your enquiry.

The EASTERN TRUST Co.
HEAD OFFICE — HALIFAX, N.S.
BRANCHES AT:
Charlottetown — St. John's, Nfld. — Montreal
Moncton — Saint John, N.B. — Toronto

HOW MANY CANADIANS WILL TAKE A

Vacation

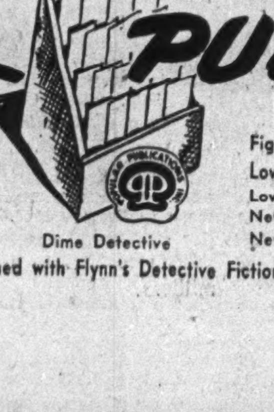
THIS YEAR?

Frankly, we don't know. BUT WE DO KNOW that many, many thousands of the Popular Fiction Group's 400,000 readers are planning bigger and better vacations than ever . . . because they've been working harder than ever since 1929—*and earning more, too!*

They'll be needing building supplies and cottage furnishings . . . boats and fishing tackle . . . flashlights and canned food . . . suntan lotions and mosquito repellents . . . automobile accessories and sporting goods.

It's a *big* market . . . one you can't reach except through advertising in the Popular Group . . . because only the Popular Group offers the *fine fiction* that leads more than 400,000 readers to buy these magazines month after month at their newsstands.

Quick Facts . . .
Just one original engraving needed . . . your ad runs in 18 Popular magazines . . . reaching over 400,000 ABC circulation . . . at a cost of less than 1/10th cent per reader!



POPULAR PUBLICATIONS

Adventure — Argosy — Ace-G-Man — All-Story Love — Big-Book Detective
Big-Book Western — Black Mask — Dare-Devil Aces — Detective Tales — Dime Western
Dime Detective (combined with Flynn's Detective Fiction)
Fighting Aces — Love Book — Love Short Stories — New Detective — New Love
New Western — Rangeland Romances — Romance — Sports Novels — Star Western
Super Science — Strange Detective Mysteries — Ten Story Mystery — Ten Story Western

BRITISH COLUMBIA POWER CORPORATION
LIMITED
and Subsidiaries

OFFICERS

W. G. Murrin .... *Executive Vice-President* — A. E. Grauer, *Executive Vice-President*
A. T. Goward .... *Vice-President* — E. W. Arnott .... *Vice-President*
T. Ingledow .... *Vice-President* — W. C. Mainwaring .... *Vice-President*
J. Lorn McLean .... *Treasurer* — J. A. Brice .... *Secretary*
P. W. Brown .... *Assistant Secretary*

DIRECTORS

G. T. Cunningham — John Davidson — S. Godin, Jr. — A. T. Goward — A. E. Grauer
J. H. Gundy — Andrew P. Holt — J. H. McDonald — W. G. Murrin — A. J. Nesbitt
J. W. Spencer — P. A. Thomson — J. L. Trumbull — Morris W. Wilson — J. B. Woodyatt

CONSOLIDATED BALANCE SHEET
as at December 31, 1944

ASSETS

Current and Working Assets:			
Cash on hand and in banks		$ 433,687.85	
Dominion of Canada bonds and City of Vancouver debentures, at cost (Quoted market value—$2,019,385.28)		2,024,624.00	
Accounts receivable, less reserve		1,859,842.69	
Employees' housing loans, mortgages, etc.		24,471.82	
Inventories of stores, materials and supplies, determined as to quantities by book inventories confirmed annually by physical count or measurement, valued at average cost		1,991,264.37	$ 6,333,890.73
Cash in Hands of Trustee for Sinking Fund			54,526.23
Employees' Pension Fund (per contra):			
Bonds and cash held by trustee		$ 1,033,000.00	
Tentative deposit with trustee (See Directors' report)		737,236.90	1,770,236.90
Investments:			
Corporation's shares held by subsidiaries (Quoted market value December 31, 1944—$353,570.75)			666,539.77
Bond Refunding Expense:			
Premium and exchange on bonds redeemed, bond conversion expenses and discounts less amounts written off			1,043,837.33
Deferred Charges:			
Insurance unexpired, deferred regulatory commission expenses, and other prepaid items			285,308.94
Estimated Recoverable Proportion of Excess Profits Tax (per contra)			990,000.00
Property Account:			
Book values which represent the cost of acquisition, and the cost of subsequent additions, including discount on bonds of $728,670.56 which is charged to construction accounts of subsidiaries		$150,941,410.69	
Less—Provision for depreciation and renewals		38,324,342.44	112,617,068.25
			$123,761,408.15

Note:—An appraisal of the properties of British Columbia Power Corporation, Limited and its subsidiaries, made by Stone & Webster Engineering Corporation of Boston, Massachusetts, as of December 31, 1936, shows a total replacement cost as at that date (after a deduction for existing physical depreciation) of $131,802,312. This foregoing total includes an amount of $15,000,000 for going concern value.
The balance in the property account as at December 31, 1936, after deducting the reserve for depreciation, was $113,739,799.32.

LIABILITIES

Current and Accrued Liabilities:			
Accounts payable		$ 2,531,046.12	
Debenture and bond interest accrued		488,133.35	
Dividends declared, since paid		635,920.00	
First Refunding and Collateral Trust Bonds 3½%, maturing March 1, 1945		400,000.00	
Bank loan for purchase of Dominion of Canada bonds for employees	$215,537.66		
Less—Employees' subscriptions unpaid	197,951.56	17,586.10	
Reserve for taxes on income and other taxes (after a payment of $1,616,360.00 on 1944 taxes)		1,484,486.49	$ 5,557,172.06
Bond Debt			35,912,624.50
Capital Stocks of Subsidiaries Held by Public:			
British Columbia Electric Railway Company, Limited—5% Cumulative Perpetual Preference Stock, £1,440,000.0.0 at $4.85		$ 6,984,000.00	
British Columbia Electric Power & Gas Company Limited—6% Cumulative Preference Shares		5,000,000.00	
The company has the right to redeem these 6% Preference Shares with a premium of 5% subject to the sanction of the Supreme Court of British Columbia.			
Minority shareholders of subsidiaries		3,446.25	11,987,446.25
Reserves:			
General, contingent and accident		$ 1,139,845.11	
Employees' pension fund (per contra)		1,770,236.90	2,910,082.01
Capital:			
Authorized—1,500,000 Class "A" Shares without nominal or par value entitled in each fiscal year to non-cumulative preferential dividends aggregating $2.00 per share and equal participation with Class "B" Shares up to a further $3.00 per share, redeemable at any time on resolution of Directors at $100.00 per share. 1,500,000 Class "B" Shares without nominal or par value.			
Issued—1,000,000 Class "A" Shares and 1,000,000 Class "B" Shares issued for a total cash consideration of		$ 59,250,000.00	
Capital Surplus:			
Surpluses of subsidiaries as at May 19, 1928, the date of the acquisition of their capital stocks by the Corporation		6,115,764.59	
Deferred Surplus:			
Estimated recoverable proportion of excess profits tax (per contra)		990,000.00	
Earned Surplus (as per statement attached)		1,038,318.74	67,394,083.33
Contingent Liability:			
In connection with an action by the Crown against British Columbia Electric Railway Company, Limited, as referred to in the Directors' Annual Report herewith		$ 394,875.45	
			$123,761,408.15

Approved on Behalf of the Board: { W. G. MURRIN, Director. / J. W. SPENCER, Director.

AUDITORS' REPORT TO THE SHAREHOLDERS

We have made an examination of the books and accounts of British Columbia Power Corporation, Limited and its subsidiary companies for the year ending December 31, 1944, and have obtained all the information and explanations which we have required.

The Corporation's returns for income and excess profits taxes have been assessed up to and including the year 1939 and those of its subsidiary companies up to and including the year 1940. The returns for the subsequent years have not yet been passed upon by the taxation authorities and, as indicated in the accompanying report of the Directors, the liability included in the attached consolidated balance sheet in respect of taxes on income is subject to the results of such review.

We report that subject to the comment in the foregoing paragraph relative to the reserve for taxes on income, the above consolidated balance sheet at December 31, 1944, is, in our opinion, properly drawn up so as to exhibit a true and correct view of the state of the combined affairs of the Corporation and its subsidiary companies, according to the best of our information and the explanations given to us and as shown by the books of the companies.

PRICE, WATERHOUSE & CO., Chartered Accountants.
Vancouver, B.C., March 16, 1945.

CONSOLIDATED STATEMENT OF INCOME AND EARNED SURPLUS
for the Year Ending December 31, 1944

Gross Revenue from Operations		$ 25,207,072.18
Deduct—Expenses:		
Operation and Maintenance, including Property Taxes	$ 14,580,953.36	
Legal Fees and Executive Remuneration	118,440.92	
Directors' Fees	21,830.69	
Provision for Accidents	157,500.00	
Provision for Employees' Pension Fund	1,176,236.90	
Provision for Depreciation and Renewals	2,829,359.52	
Provision for Taxes on Income (including $190,000.00 representing estimated recoverable proportion of excess profits tax for the year)	2,540,000.00	21,424,321.39
Operating Income		$ 3,782,750.79
Add— Income from Investments	$ 45,634.52	
Less—Loss on Sale of Investments	12,787.50	32,847.02
		$ 3,815,597.81
Deduct—Interest on Bond Debt	$ 1,473,242.48	
Bond Refunding Expenses written off	69,956.64	1,543,199.12
Net Income for the Year		$ 2,272,398.69
Add— Earned Surplus as at January 1, 1944		987,760.05
		$ 3,260,158.74
Deduct—Dividends on Preference Stock of Subsidiaries:		
5% Cumulative Perpetual Preference Stock—£72,000.0.0 at $4.47	$ 321,840.00	
6% Cumulative Preference Shares	300,000.00	621,840.00
		$ 2,638,318.74
Deduct—Dividends on Class "A" Shares of Parent Company		1,600,000.00
Earned Surplus as at December 31, 1944		$ 1,038,318.74

YOU ASKED US—

The Financial Post will provide subscribers as quickly as possible the answers to specific questions about business, taxation, investments, wartime regulations and other subjects. The Post cannot undertake to make predictions, will not express opinions on matters involving individual business judgment or on conditions or investments outside Canada. All communications should be addressed to Business Enquiry Editor, The Financial Post, 481 University Ave. A four-cent stamp and address label from subscriber's copy of The Financial Post must be enclosed.

INCOME TAX

Monthly Insur. Premiums

In June, 1944, I bought a life insurance policy on the monthly payment plan. How much of the premium can I deduct from the compulsory savings portion of my income tax?

Under the income tax regulations you can deduct half the premiums actually paid on this policy during the year, total deductions on all new policies taken out after June 23, 1942, not to exceed $100 in any one year. Accordingly, suppose your premiums are $2 monthly. Your total premiums actually paid on this policy for the remaining seven months in 1944 would be $14. You can deduct half of this or $7. You understand you are liable for only half the year's compulsory savings in 1944, that part of the tax having been discontinued July 1 last year.

Supports Family

My mother is a widow and I support her and two young sisters in the old home. I myself live where my work is, in another town. What deductions can I claim for income tax? I am the sole support of my mother and sisters. My sisters are at school at present but expect to train as nurses later. How will this affect the situation?

You can claim deductions for three dependents as long as the sisters are at school. When they go to train as nurses, you will then be entitled to deduct full dependent's allowance for the mother as before but can deduct only 20% of the actual amount contributed to the support of the sisters with a maximum deduction of $80 each. If your mother and you were living in the same house you would be able to claim married man's status for tax purposes on her account.

INVESTMENTS

Winnipeg Electric

Will you give me some information re Winnipeg Electric Co., with particular reference to the preferred stock?

Winnipeg Electric operates a public utility system in Winnipeg and the surrounding district. In the city of Winnipeg the company is in competition with the municipally owned electric light and power distribution system.

Winnipeg Electric 5% preferred stock is noncumulative or in other words a holder is entitled to dividends only if they are declared. The initial dividend of 2.50 a share on this stock was paid on June 30, 1944. A further dividend of $2.50 per share was paid on Dec. 30, 1944.

Earnings per share on 5% preferred stocks have been $18.04 in 1943, $9.01 in 1942, $3.25 in 1941, $2.48 in 1940, $4.36 in 1939, $0.78 in 1938 and $2.65 in 1937. The 1944 financial statement, not yet available, will appear in The Financial Post. The company has done well during the war. Some investment men are inclined to question whether it will do as well in the postwar years, particularly with regard to its street railway system.

Capitalization as at Dec. 31, 1943, consisted of $3,179,000 first mortgage 3½% bonds due Jan. 2, 1960, $27,381,958 series "A" and $5,986,400 series "B" general mortgage 5% bonds due Jan. 2, 1965, 50,000 shares of 5% noncumulative $100 par value preferred stock and 564,989 shares of no par value common stock.

There have been rumors that Winnipeg Electric Co. would be taken over by the City of Winnipeg and proposals of this kind have been recommended in city council at various times. The company denies that any such negotiations are taking place at this time but, of course, there is a possibility that at some future date the city might take over the company.

Utility Average

What stocks are used in computing the utility average on the Montreal Stock Exchange?

The following stocks are used:
Bell Telephone
Brazilian Traction
B. C. Power "A"
Gatineau Power
Montreal Power
Montreal Tramways
Power Corporation
Quebec Power
Shawinigan Power
Southern Canada Power

COMPANY REPORTS

English Electric

The orders booked, or backlog, at Dec. 31, 1944, were the highest in volume in the history of English Electric Co. of Canada. Volume of unfilled orders at the end of the year again assures a high production rate during 1945. Production continued to be almost exclusively for Canada's war program during 1944 with limited profit, increased labor and material costs and firmly fixed ceiling prices on standard items, President Andrew S. Tait reports.

The company purchased 800 shares of its class "A" stock in the open market for cancellation, leaving a balance of 41,796 shares of this stock outstanding at the end of 1944. Capital additions to plant and equipment in 1944 amounted to $60,110.

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	1944	1943
Net earnings	$319,725	$345,982
Less: Deprec.	197,263	241,115
Prov. for inc. tax	48,000	43,000
Net profit	74,462	61,867
Class A divds.	42,396	58,357
Surplus for year	32,066	3,510
Earnings per Share and Dividend Record:		
Cl. A: Earned	$1.78	$1.45
Paid	1.00	1.37
Cl. B: Earned	nil	nil
None paid.		
Working capital	1,007,940	1,053,912

W. D. Beath & Son

Sales and gross profits of W. D. Beath & Son, Ltd., for 1944 were the largest on record. Inventories are somewhat lower than at the same time a year ago, but are considered sufficient for manufacturing schedules currently operating. Sales for the current year may not reach the 1944 peak, due largely to further diversification of war orders, but capacity will be taxed throughout the year to produce orders in hand, with deliveries extending over the balance of 1945, Lance B. Beath, president, states. The Regina plant was sold during the year. Arrears of dividends on Class "A" shares to Dec. 31, 1944, amounted to $20.60 a share.

INCOME ACCOUNT

Years Ended Dec. 31:	1944	1943
Net earnings	$694,211	$299,329
Less: Deprec.	25,278	91,328
Taxes reserve‡	548,937	97,967
Loss on equip.	......	2,534
Add: Profit on secs. sold	3,375	1,560
Net profit*	123,371	109,000
Less: Divds.	80,000	80,000
Surplus for year	43,371	29,000
‡Incl. refund. EPT.	93,983	5,034
*Note: Co's. report includes refund EPT in net profit and surplus for year.		
Earnings per Share and Dividend Record:		
Cl. A: Excl. ref. EPT	$1.23	$1.09
Incl ref. EPT	2.17	1.14
Paid	0.80	0.80
Cl. B: Excl. ref. EPT†	d0.73	d1.02
Incl. ref. EPT†	1.15	d0.92
None paid.		
†After full year's class A divd.		
Working capital	845,177	754,479

Matachewan Consolidated

Acute labor shortages in 1944 had a dominating effect on reducing tonnage of ore milled to approximately half capacity at Matchewan Consolidated Mines. Curtailment of underground development in order to maintain reduced rate of production resulted in a drop in ore reserves from 1,094,481 tons at Dec. 31, 1943, to 914,895 tons at the end of 1944.

Shaft sinking was completed late in the year with two new working levels established at 250-ft. intervals below the 1,300-ft. horizon. Current assets as at Dec. 31, 1944, totalled $422,002 as against current liabilities of $32,516.

INCOME ACCOUNT

Years Ended Dec. 31:	1944	1943
Metal sales	$544,018	$723,660
Less: Oper. exps.	476,919	602,674
Oper. profit	67,099	120,986
Add: Other inc.	4,608	3,504
Total income	71,707	124,490
Less: Prov. for tax.	......	1,000
Def. dev. w/o	13,469	18,747
Depreciation	85,487	104,910
Loss, secs. sold	......	100
Outside expl.	6,254	......
Add: Prov. inv. sale	12,652	875
Net profit	*20,851	608
*Loss.		
Earned per share	d$0.006	$0.0002
Paid	nil	nil

Buffalo Ankerite

Decreases of 10% in ore reserves, 9½% in tonnage of ore treated and a drop of 55½ cents a ton in grade of ore treated were experienced by Buffalo Ankerite Gold Mines in 1944.

Diamond drilling and exploration on two northerly claims and on the Chisholm Corp., claims recently leased from that company indicated values for a length of 600 ft. of medium grade. Further work will be concentrated on the new area this year, if additional labor is available. A crosscut driven on the 3,250-ft. level entered serpentine, which gives encouragement as to possible location of ore in contact with the serpentine.

INCOME ACCOUNT

Years Ended Dec. 31:	1944	1943
Bullion recovery	$1,582,581	$1,894,052
Add: Ore in solut.	‡1,689	‡1,888
Less: Oper. exp.	1,455,301	1,517,142
Operating profit	125,591	375,022
Add: Other inc.	23,004	16,724
Gross profit	148,595	391,746
Less: Devel. w/o	3,189	8,315
No. 5 shaft w/o	1,028	617
Depreciation	86,400	193,109
Inc. tax & conting.	22,687	52,387
Net profit	35,281	137,318
Less: Dividends	140,336	70,168
Surplus for year	a105,055	67,150
aDeficit. ‡Deduction.		
Earnings per Share	$0.05	$0.20
Paid	0.20	0.10
Working capital	778,480	804,193

OPERATING STATISTICS

	1944	1943
Ore reserves, tons	293,170	325,341
Grade ($38.50 gold)	$7.464	$7.709
Tons milled	235,442	260,271
Recovery per ton	$6.72	$7.28

God's Lake Gold Mines

The purchase of shares in Regcourt Gold Mines and in Bevcourt Gold Mines and the seeking of shareholders' approval to invest a further $200,000 in Dominion Magnesium, are the highlights of God's Lake Gold Mines' 1944 report. Exploration during the year was concentrated on property in the Knee Lake district and on claims at Black Island, Lake Winnipeg, both in Manitoba. The latter property was dropped after inconclusive results.

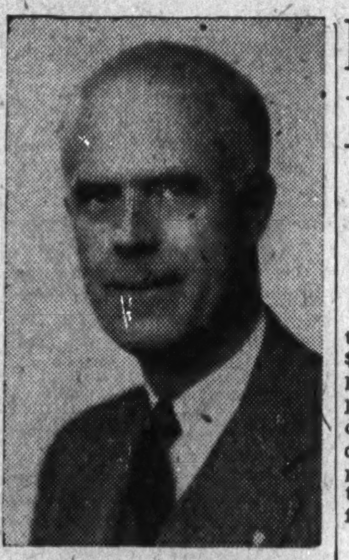
INCOME ACCOUNT

Years Ended Dec. 31:	1944	1943
Metal recoveries	nil	$527,832
Less: Oper. exps.	*†$58,485	421,099
Net oper. profit	*58,485	106,483
Add: Nonoper. rev.	51,750	30,051
Net earnings	*6,735	136,534
Less: Deprec.	......	185,344
Dev. exp. w/o	......	76,151
Outside expl.	56,257	......
Loss on equip.	......	24,662
Loss for year	62,992	149,623
†Shut down exps., etc.		
*Loss or deficit.		
Working capital	1,051,973	1,045,616

International Nickel Re-elects Directors

Right Hon. Viscount Margesson, Rugby, Eng., has been elected a director of the International Nickel Co. of Canada.

The following retiring directors have been re-elected: R. L. Beattie, vice-president; John Foster Dulles; Reg. Halladay; H. R. MacMillan; R. Samuel McLaughlin; H. C. F. Mockridge; George W. Spinney; Robert C. Stanley, chairman and president; Andrew V. Stout; John F. Thompson and Right Hon. Vincent Weir.



CLUB CHAIRMAN

William J. Smallacombe, elected chairman of the Board of Trade Club of Toronto. He is traffic manager, Maple Leaf Milling Company.

NEW WARTIME REGULATIONS

Milk Coupons: WPTB Order No. A-1566, effective March 24, provides regulations respecting the expiry of ration and evaporated milk coupons. Deputy Admin. of Consumer Rationing, O. W. Rodomar.

Boxes: WPTB Order No. A-1576, effective April 12, provides regulations respecting the maximum prices of boxes and shooks. Admin. of Wood Products and Metal Containers, Arthur May.

Textiles: WPTB Order No. 504, effective May 15, provides regulations respecting the labelling and invoicing of textiles and garments. Chairman, D. Gordon.

Dried Dates: WPTB Order No. A-1577, effective April 20, revokes and replaces sections of Order No. A-1500 and provides regulations respecting the markup of dried dates. Admin. of Imported Grocery Items, A. S. May.

Services: WPTB Order No. 500, effective April 20, revokes and replaces Order No. 434, and provides regulations respecting jurisdiction over services. Chairman, D. Gordon.

Lumber: WPTB Order No. A-1561, effective April 2, provides regulations respecting the maximum manufacturers' and wholesalers' prices for the sale of certain lumber in the Province of New Brunswick, Nova Scotia and Prince Edward Island. Timber Admin. A. H. Williamson.

Butter: WPTB Order No. A-1563, effective May 1, provides regulations respecting the maximum prices of creamery butter sold by manufacturers, wholesale distributors and retailers. Admin. of Dairy Products, K. H. Olive.

Seeds: WPTB Order No. A-1572, effective April 16, provides regulations respecting the maximum prices of seeds. Seeds Admin. Nelson Young.

Soybeans: WPTB Order No. A-1583, effective April 28, revokes and replaces Order No. A-1324 and provides regulations respecting the maximum prices of soybeans. Coordinator, Foods Admin., K. W. Taylor.

May Dividends Off 20.7% From Last Year's Figure

Indicated 1945 Dividends to End of May Are Up 1.4% From Corresponding Period of Last Year at $91,388,953 as Against $90,135,723

Dividend payments for May, 1945, total $6,199,102 as compared with $7,822,382 for the corresponding period of last year, according to a preliminary estimate by The Financial Post, based on dividends now declared. Estimated 1945 dividend payments to the end of May amount to $91,388,953 as against $90,135,723 for the same period of 1944.

Monthly Dividends

	1945 $	1944 $
January	22,986,207	21,013,084
February	8,797,809	9,585,009
March	36,598,221	31,958,148
April	1[illegible]808,614	19,757,100
May	6,199,102	7,822,382
Total	91,388,953	90,135,723

Industrials and Utilities

Company:	Rate $	Date	Amount $
Alum. of Can., pf.	1.25q	1	187,500
Anglo-Can. Tel., pf.	.68¾q	1	56,787
Ault & Wiborg, pf.	1.37½q	1	6,182
Blue Ribbon, pfd.	.62½q	1	18,656
Brewers & Dist.	.50a	21	288,869
Do., extra	.10	21	57,773
Caldwell Linen, pfd.	.37	1	5,550
Do., 2nd pfd.	.20	1	5,000
Calgary Power, pfd.	1.50q	1	88,500
Can. Bronze	.37½q	1	30,000
Do., pref.	1.25q	1	9,375
Coast Breweries	.03q	1	54,094
Colonial Steamships	4.00	23	120,000
Consumers Glass	.50q	31	159,785
Crown Cork	.50q	15	50,000
Distill-Seag., pf.	†1.25q	1	167,309
Dom. Engineering	2.00	11	250,000
Dom. Fabrics	.20q	1	14,000
Do., pref.	.75q	1	6,750
Do., 2nd pref.	.37½q	1	7,500
Dominion Tar, pfd.	1.37½q	1	69,231
Dom. Malt., 5% pfd.	1.25q	1	8,125
Dom. Woollens	.12½q	1	24,672
Fleet Aircraft	.25	15	47,572
Gen. Steel Wares	.20q	15	26,176
Do., pref.	1.25q	1	62,500
Inter. Utilities, pf.	†.87½	1	85,198
Mercury Mills	.20	1	18,910
Ont. Steel Prod.	.25q	15	12,110
Do., pref.	1.75q	15	6,304
Orange Crush, pfd.	.70	1	21,000
Penmans	.75q	15	48,388
Do., pref.	1.50q	1	16,125
Price Bros., com.	1.50	1	821,795
Purity Flour M., pf.	.62½q	1	55,325
Quebec Power	.25q	25	138,299
Rolland Paper	.15q	15	9,000
Saguenay Pwr., p.	1.37½q	1	68,750
Shawinigan W. & Pr.	.22q	25	479,204
Silknit, 5% pref.	.50q	15	5,000
Slater, N.	.30q	1	11,250
South. Can. Pwr., c.	.20q	15	80,000
St. Lawr. Flour	.35q	1	12,600
Do., extra	.50	1	18,000
Do., pref.	1.75q	1	9,692
Steel of Canada	.75q	1	345,000
Do., pref.	.75q	1	194,889
Thrift Stores, 6% pr.	‡3.25	15	38,435
Wood, A. & J., pfd.	1.75q	1	11,375
Zeller's	.20q	1	25,000
Do., 5% pref.	.31¼q	1	12,500
Do., 6% pref.	.37½q	1	15,000
Total			4,381,045
Mining Companies			
Island Mountain	.03	28	31,521
Leitch Gold	.02q	15	57,000
Proprietary Mines	.05	3	45,974
South Amer. Gold	†.10	9	181,000
Toburn Gold	.01q	22	18,500
Total			333,995
Oil Companies			
Anglo-Candn. Oil	.05	14	112,500
Candn. Oil, c.	.25q	15	35,941
Home Oil	.15a	15	264,000
Total			412,441
Financial			
Bk. of Nova Scotia	.25q	1	300,000
Can. Bk. Commerce	.15q	1	450,000
Can. Inventors	.10q	1	10,000
Dominion Bank	.20q	1	140,000
Imperial Bank	.20q	1	140,000
London & W. Trust	1.00	1	12,137
United Corp. (A)	.37q	15	19,484
Total			1,071,621
Grand total			6,199,102

q—Quarterly. s—Semi-annually. a—Annually. †N. Y. funds. ‡Extra.

Imperial Oil Reveals Reinstatement Plans

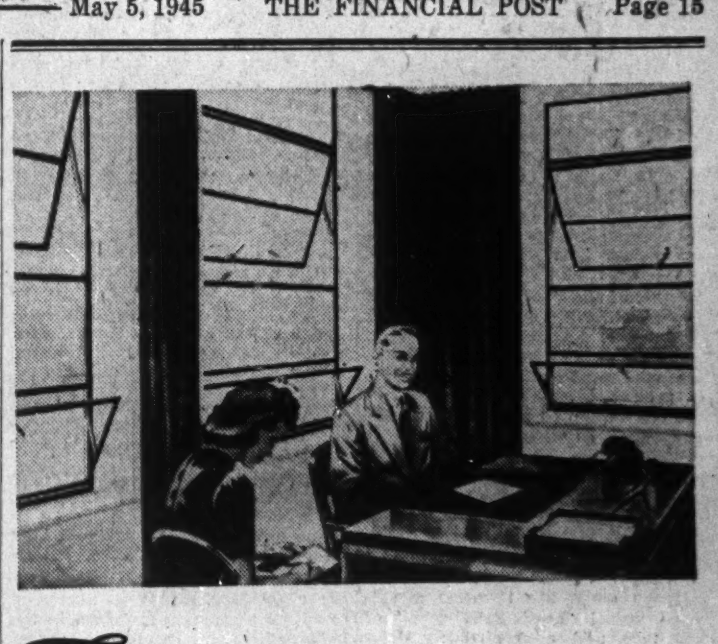
At the annual meeting of Imperial Oil Ltd., President R. V. LeSueur outlined plans for reinstatement of war veteran employees. Nearly 2,000 of Imperial Oil's 11,000 employees are affected.

The serviceman who can resume his former job, with accrued service credits and promotions presents no great problem, it was pointed out. But in the case of those who have been temporarily incapacitated, or others who have acquired special training, trades or education in the services, each situation will be reviewed on its individual merits with a view to greatest possible benefit to the veteran.

The plan provides that within two months of reinstatement all returned men will be interviewed and their reactions to their new positions obtained. Where adjustment is exceptionally difficult more training or transfer will be carefully considered, and if necessary, several transfers will be made until the job most suitable for the veteran is found.

ACME GAS & OIL

Net profit of Acme Gas & Oil Co. the year ended Dec. 31, 1944, was $31,570. Gross income from oil royalties, dividends and interest totalled $16,497, while profit on sale of investments was $1,690 and $28,381 was transferred from investment reserve. Operating expenses totalled $14,657 and taxes amounted to $341. Current assets as at Dec. 31, 1944, were $5,995 as against current liabilities of $3,796. Investments totalled $232,135.



Fenestra

NEW FEATURES

In Post War Windows

Tomorrow's windows will provide better daylighting — their narrow steel frames and muntins will afford larger glass areas.

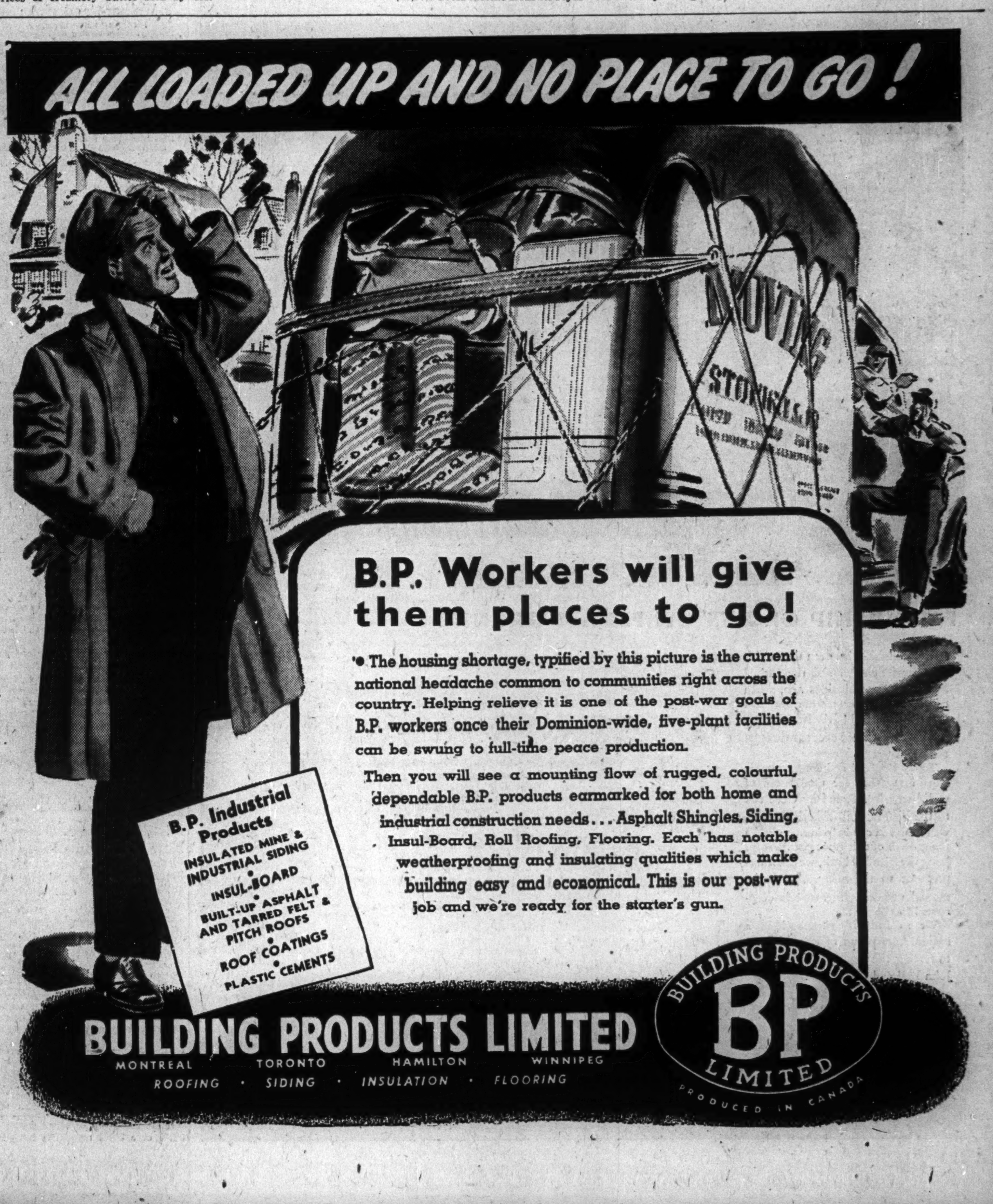
They will afford better see-through vision — from larger glass areas; better ventilation — open-out vents will form canopies over openings; open-in vents will reflect drafts upward, shed water to outside; easy-opening — steel ventilators never warp, swell or stick, and they swing instead of slide.

Also, increased fire-safety — steel does not burn; safer washing — both sides of glass washed from inside the room; superior weather-tightness — precision-fitted by craftsmen, they stay tight; greater beauty — from narrow graceful lines and fine hardware appointments.

CANADIAN METAL WINDOW AND STEEL PRODUCTS LTD.

160 RIVER STREET, TORONTO

Montreal Address: 6565 Durocher Ave., Outremont.



COMPANY REPORTS

Foundation Co. of Canada

Foundation Co. of Canada has been favored with a fairly satisfactory volume of business in the way of construction of plants during 1944.

During the year contracts for the twin-screw cargo lighters were completed. The Bridgewater, N.S. plant has been closed and practically all of the equipment and stock furnished by the company has been disposed of for use elsewhere. The building of ocean-going freighters was continued at the scheduled rate of production. Also completed was the conversion of a number of general-cargo carriers to fully-refrigerated vessels for the frozen meat trade.

On Oct. 1, 1944, all the outstanding shares of the capital stock of Quebec Salvage & Wrecking Co. were purchased from the Canadian Pacific Railway Co. and associates. Quebec Salvage owns the twin-screw salvage vessel "Lord Strathcona" of 495 tons and approximately 1,000 h.p. and the single-screw Diesel lighter "Traverse" of 317 tons.

CONSOL. INCOME ACCOUNT

Years Ended Dec. 31:	1944	1943
Net earnings	$1,021,779	$716,724
Less: Deprec.*	283,166	489,608
Misc. chgs.	2,375	993
Income tax res.♦	595,000	103,986
Net profit	141,238	122,137
Less: Com. divds.	118,440	118,440
Surplus for year	22,798	3,697
♦Incl. refund. EPT	93,859	263

*Incl. special deprec. on cap. exp., re war contracts.

Earnings per Share and Dividend Record:		
Com.: Excl. ref. EPT	$1.67	$1.44
Incl. ref. EPT	2.78	1.45
Paid	1.40	1.40
Working capital	1,031,098	1,107,761

West Kootenay Power

Gross revenue of West Kootenay Power & Light Co. of $4,131,152 for 1944 was down from the $4,421,757 reported in 1943 due principally to the fact that several customers were operating with decreased labor supply.

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	1944	1943
Net oper. earn.	$2,993,158	$3,339,176
Add: Other inc.	59,790	29,387
Less: Bond int.	68,731	108,075
Depreciation	730,303	734,256
Bond discount	433	433
Bad debts, etc.	486	998
Inc. tax prov.	937,253	1,184,720
Prem. on bds. red.	852	......
Net profit	1,316,800	1,340,081
Less: Pref. div.	35,000	35,000
Common div.	1,222,400	......
Surplus for year	59,400	1,305,081
Earnings per Share and Dividend Record:		
Pref.: Earned	$263.38	$268.02
Paid	7.00	7.00
Com.: Earned	20.97	21.35
Paid	2.00	...
Working capital	3,575,126	2,837,967

Ottawa Electric Rly.

During 1944 the total number of passengers carried by The Ottawa Electric Railway Co. reached a record of 58,221,929 as compared with 53,661,462 in 1943.

The management has endeavored during the past year to obtain new equipment and with the co-operation of the Transit Controller has now been assured of delivery in the autumn of 20 new buses which will cost approximately $300,000.

INCOME ACCOUNT

Years Ended Dec. 31:	1944	1943
Net earnings	$1,532,807	$1,348,444
Less: Deprec.	277,486	298,383
Bond interest	70,000	75,600
Refin. exp. w/o	7,500	7,650
Other fin. exp.	2,961	3,196
Inc. & cap. tax♦	1,053,600	872,500
Net profit	121,260	91,115
Less: Dividends	70,394	70,394
Surplus for year	50,866	20,721
♦Incl. refund. EPT	193,560	161,600
Times Bond Interest Earned:		
Before deprec.	21.90	17.84
After deprec.	17.93	13.89
Earnings per Share and Dividend Record:		
Com.: Excl. ref. EPT	$3.45	$2.59
Incl. ref. EPT	8.94	7.18
Paid	2.00	2.00
Working capital	1,144,281	949,736

Canadian Bronze Co.

Retained net profit of Canadian Bronze Co. in 1944 was practically the same as for 1943.

The company's war business is at present under examination by the Dept. of Munitions and Supply and, if renegotiated, it may be necessary to adjust the amounts shown in the balance sheet for income and excess profits taxes payable and for the refundable portion of excess profits tax, the auditors' certificate states. These amounts are further subject to the allowance by the War Contracts Depreciation Board of claims for special depreciation on assets acquired in 1943 and 1944.

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	1944	1943
Net earnings	$644,027	$785,662
Less: Depreciation	58,059	109,824
Income taxes♦	381,000	470,000
Net profit	204,968	205,838
Less: Pref. divd.	37,500	37,500
Com. divd.	160,000	160,000
Surplus for year	7,468	8,338
♦Incl. refund. E.P.T.	45,000	64,000
Earnings per share and Dividend Record:		
Pref., excl. ref. EPT	$27.33	$27.45
Incl. ref. EPT	33.33	35.98
Paid	5.00	5.00
Com.: Excl. ref. EPT	2.09	2.10
Incl. ref. EPT	2.66	2.90
Paid	1.50+0.50	1.50+0.50
Working capital	901,088	898,947

Montreal L. H. & P. Cons.

During 1944 Montreal Light, Heat & Power Cons. made settlement of claim with the Department of National Revenue, which resulted in the disallowance of extra depreciation amounting to $7,500,000. Earnings include those resulting from operations of gas and electric properties to April 15, 1944, the date of expropriation.

John S. Norris, president, states that directors have no information as to the intentions of the new Government beyond the public statements of the premier and some of his ministers that the expropriation legislation, as enacted by the late Government, is discriminatory, unfair and confiscatory and reminds shareholders that interest is accruing at the legal rate on the amount due.

"It has been the consistent opinion of your director that nothing less than the real value of the expropriated properties, determined by an independent tribunal, will satisfy either the shareholders of the company or the spirit of justice of the people of the Province of Quebec," the report states.

CONSOLIDATED‡ INCOME ACCOUNT

Years Ended Dec. 31:	1944 $	1943 $
Oper. revenue	10,810,172	35,509,955
Add: Other inc.	4,371,083	863,742
Total revenue	15,181,255	36,373,697
Less: Expenses	5,231,041	9,789,892
Taxes♦	3,296,033	8,940,341
Depreciation	1,148,038	6,615,748
Fixed charges	931,069	3,132,606
Net profits*	4,575,054	7,895,110
Less: Dividends	3,456,555	6,733,550
Pension fund	......	20,000
Extra deprec.	......	750,000
Ins. & cont. res.	......	441,275
Surplus for year	1,118,499	*49,715
♦Incl. refund. E.P.T.	65,371	425,000

* Note: In co's reports for 1943, ref. EPT was included in net profit and surplus for year.

*Deficit.

‡Not including Montreal Island Power Co. in 1943; not including Montreal Island Power Co. and Beauharnois Light, Heat and Power Co. in 1944.

Times Fixed Charges Earned†:		
Before deprec.	17.89	5.63
After deprec.	16.65	3.52

†Based on total rev. as above less expenses and taxes.

Earnings per Share and Dividend Record:		
Earned: Excl. ref. EPT	$1.02	$1.76
Incl. ref. EPT	1.03	1.85
Paid	0.77*	1.50

*Including 31c. pd. in shares of Southmount Investment Co.

CONDENSED CONS.‡ BALANCE SHEET

As at Dec. 31:	1944 $	1943 $
Cash & call loans	2,582,987	2,592,744
Govt. bds. & secs.†	8,022,075	17,793,226
Accts. rec.	1,597,423	2,885,753
Inventories	......	624,113
Total curr. assets	12,202,485	23,895,836
Bonds & shares♦	85,715,593	......
Misc. assets▲	1,114,529	1,306,271
Invest. in affil's.	3,441,832	12,016,760
Fixed assets*	148,054,615	173,509,532
Total assets	250,529,054	210,728,399
Accts. & tax pay.	3,130,540	8,319,181
Other curr. liab.	897,807	3,149,934
Total curr. liabs.	4,028,347	11,469,115
Insur. & conting.	4,400,000	4,841,275
Other res.	458,482	......
Deprec. res.	46,952,990	......
Funded debt	83,834,000	88,834,000
Subsid. bonds	247,000	116,000
Min. int. in subs.	141,247	1,142,101
Cap. & surplus▲	*110,466,988	104,325,906
*After depr. of	‡‡	62,140,236

‡‡Shown in liabilities.

†Market value	8,239,332	18,088,867
▲Incl. refund. EPT	760,371	695,000

‡Not including Montreal Island Power Co. in 1944 and 1943; or Beauharnois L.H.&P. Co. in 1944.

Working capital	8,174,138	12,426,721

♦Beauharnois L.H. & P. Co. and Montreal Island Power Co.

*After net adjustment of $5,022,582 resulting by transfer of $7,500,000 from depr. res. representing extra depr. provided in prior years and disallowed for tax purposes and by other adjustments including additional income and excess profits taxes paid, applicable to disallowed depr. and other items.

Enamel & Heat'g Products

The demand for products of Enamel & Heating Products, both in the domestic and export market, is, at the present time, more than sufficient to require capacity operations at all company plants, but the serious shortage of steel and all other raw materials does not permit of maximum production of domestic lines, N. A. Hesler, president, states. While facilities have been used to a considerable extent in the manufacture of equipment and supplies for the armed forces, the company was able to undertake this work without any large capital expenditures and will not be obliged to make any large expenditures for reconversion.

Permission will be sought to reduce the amount of capital stock from $737,750 to $439,769 by writing off $297,981 deficit account.

INCOME ACCOUNT

Years Ended Dec. 31:	1944	1943
Net earnings	$109,186	$116,642
Less: Deprec.	33,930	34,703
Inc. tax. res.♦	45,305	57,363
Net profit	29,951	24,576
♦Incl. refund. EPT	5,069	8,092
Earnings per Share and Dividend Record:		
Com.: Excl. ref. EPT	$1.02	$0.83
Incl. ref. EPT	1.19	1.11
None paid.		
Working capital	207,884	142,810

Wilsil Ltd.

Wilsil Ltd. reports that livestock marketings reached new high levels in 1944. Plant facilities were adequate but during some weeks the company was strained to keep abreast of market receipts due to a shortage of labor, particularly in the skilled class.

CONS. INCOME ACCOUNT

52 weeks ended:	Dec. 31 1944	Jan. 1 1944
Oper. profit	$438,430	$385,114
Less: Deprec.	51,569	48,833
Inc. tax res.♦	184,168	151,717
Net profit‡	202,693	184,564
Less: Divds.	135,700	135,700
Surplus for year	66,993	48,864
♦Incl. refund. EPT	5,149	120

‡Note: Co's. report includes refund. EPT in net profit and surplus for year.

Earnings per Share and Dividend Record:		
Com.: Excl. ref. EPT	$1.49	$1.36
Incl. ref. EPT	1.53	1.36
Paid	1.00	1.00
Working capital	1,633,944	1,577,400

Consolidated Bakeries

Consolidated Bakeries of Canada Ltd. reports that sales volume continued to increase throughout 1944 although higher operating costs, mainly in labor and some items in ingredients and supplies, resulted in a reduction of net earnings. During the year the company acquired two successfully operating bakeries —Hamilton Bakeries Ltd. and Dixon Dairy Bread Ltd.—the purchase of which was accomplished by the issue of 21,000 shares of the company's capital stock.

A. Earwaker, president, states that the company is faced with a heavy program of capital expenditures for modernization.

CONSOLIDATED INCOME ACCOUNT

Years Ended	Dec. 30 1944	Dec. 30 1943
Net earnings	$810,048	$943,394
Less: Depreciation	131,477	140,958
Income tax♦	368,564	468,193
Invent. res.	......	20,000
Net profit‡	310,007	314,243
Less: Dividends	258,954	238,832
Surplus for year	51,053	75,411
♦Incl. refund. EPT	30,021	56,000

‡Note: Co's. report includes refund. EPT in net profit and surplus for year.

Earnings per Share and Dividend Record:		
Com.: Excl. ref. EPT	$0.91	$0.99
Incl. ref. EPT	1.00	1.16
Paid	0.80	0.75
Working capital	1,711,062	1,810,464

Regent Knitting Mills

Notwithstanding the difficulties of war-time operations, net sales of Regent Knitting Mills Ltd. for 1944 advanced by 1.2% over the previous year. President C. G. de Tonnancour reports. The company's properties were improved during the year by the acquisition of new machinery and equipment costing $96,633.

DIRECTOR

Hon. Wilfrid Gagnon, elected a director of Canadian Breweries Ltd.

INCOME ACCOUNT

Years Ended Dec. 31:	1944	1943
Net earnings	$656,086	$454,586
Less: Bond int.	14,535	15,125
Bank int.	3,946	14,082
Depreciation	52,995	45,513
Inc. tax res.♦	531,999	391,701
Bond expense	3,386	3,386
Net profit*	49,225	*15,221
Less: Pref. divds.	25,600	25,600
Com. divds.	32,505	32,505
Deficit for year	8,880	73,326
♦Incl. refund. EPT	99,277	79,677

*Loss.

*Note: Co's. report includes ref. EPT in net profit and surplus for year.

Times Interest Earned:		
Before deprec.	44.87	29.12
After deprec.	41.22	26.12
Earnings per Share and Dividend Record:		
Pref.: Excl. ref. EPT	$3.08	d$0.95
Incl. ref. EPT	9.28	4.03
Paid	1.60	1.60
Com.: Excl. ref. EPT	0.36	d0.63
Incl. ref. EPT	1.89	0.60
Paid	0.50	0.50
Working capital	987,971	1,057,848

H. Simon & Sons

H. Simon & Sons Ltd. reports that its volume of business in 1944 showed a substantial increase over 1943. President Arthur Simon states that no date has yet been set for a hearing to determine the company's standard profits base and the adequacy of the tax provision is subject to this decision.

INCOME ACCOUNT

Years Ended Dec. 31:	1944	1943
Net earnings	$242,421	$210,965
Less: Deprec.	11,561	11,005
Inc. tax res.♦	100,000	96,000
Net profit	130,860	103,960
Less: Pref. divds.	18,543	18,543
Com. divds.	22,538	22,538
Surplus for year	89,779	62,879
♦Incl. refund. EPT	......	6,683
Earnings per Share and Dividend Record:		
Pref.: Excl. ref. EPT	$49.40	$39.24
Incl. ref. EPT	49.40	41.77
Paid	7.00	7.00
Com.: Excl. ref. EPT	3.74	2.84
Incl. ref. EPT	3.74	3.06
Paid	0.60+0.15	0.60+0.15
Working capital	522,511	438,999

Walker-Gooderham

EARNINGS STATEMENT
Periods Ending Feb. 28

	3 mos. 1945 $	6 mos. 1945 $	6 mos. 1944 $
Oper. profit	7,990,846	15,750,196	10,160,873
Add: Other inc.	216,831	295,367	340,857
Total inc.	8,207,677	16,045,563	10,501,730
Less: Depr.	290,750	599,303	547,649
Int. disc. & exp.	94,705	193,278	341,737
Bank int.	13,359	22,892	......
Prov. for inc. tax.	5,537,615	11,016,183	5,592,983
Net profit	2,271,248	4,213,907	4,019,361
Earns. per com. sh.	$2.95	$5.45	$5.13
No. of shs. outstdg.*	724,004	724,004	724,004

*Incl. 2,467 shares held by a U. S. subsidiary.

Distillers Corporation-Seagrams Ltd.

Consolidated accounts as shown below reflect the elimination of the subsequently reversed $1 million provision in the fiscal year 1944 for possible future inventory price decline.

QUARTERLY EARNINGS
Periods Ended Jan. 31

	3 mos. 1945 $	6 mos. 1945 $	6 mos. 1944 $
Prof. after all oper. chgs.	15,169,283	33,451,356	17,559,996
Less: Inc. & EPT	11,385,701	24,064,681	10,349,101
Net profit	3,783,582	9,386,675	7,210,895
Earnings per Share & Divd. Record:			
Pref.: Earn.	$28.63	$71.03	$44.50
Paid‡	1.25	2.50	2.50
Com.: Earn.	2.06	5.16	3.34
Paid*	0.52½	1.11	1.11

‡U. S. funds. *Canadian funds.

Further Expansion For Can. Breweries

At the annual meeting of Canadian Breweries Ltd., E. P. Taylor, chairman of the board, announced that the company plans further additions and improvements to the Canadian plants, the acquisition of an even greater interest in Brewing Corp. of America, and the further expansion of the business of Brewing Corp. of America in the United States.

"With such a program before us," the chairman said, "new financing will be required from time to time. Therefore you are being asked to pass resolutions which will permit the directors to sell debentures in Canada up to the authorized amount of $10 millions and to approve of an application for supplementary letters patent to increase the authorized common stock from 1,500,000 to 2,500,000 shares."

Distillers Corp. Plans New Debenture Issue

MONTREAL (Staff)—Joseph E. Seagrams & Sons Inc., and the parent company, Distillers Corp.-Seagrams Ltd., have registered with the U. S. Securities & Exchange Commission a proposed new issue of $50 millions debentures, due May 1, 1965. The registration statement says the proceeds will be used to retire $15 millions bank loans, and to increase working capital.

Harriman Ripley & Co. of N. Y. are listed as principal underwriters. A sinking fund is proposed which would retire more than 80% of the debentures by maturity. The debentures would be a direct obligation of the Joseph E. Seagrams & Co. Inc., an Indiana corporation, but will be guaranteed unconditionally by Distillers Corp.-Seagrams, its parent company.

While the coupon rate has not yet been set, financial circles at present are inclined to feel that a 3¼% or a 3½% coupon is likely.

Costs Inflated Says CNR Head

MONTREAL—Gross earnings in 1944 at a new record high level, and up approximately a half million dollars over previous year, are shown in the annual financial statement of Canadian National Railways. Increased operating expenses, however, offset the gain in gross revenues, and net operating revenues last year declined to $78,600,466 from $116,140,285 in 1943.

After sundry deductions and credits, earnings available for interest, at $71,096,564, were sufficient to cover total requirements on publicly-held bonds and on Government loans by a margin of $23,026,000, and this amount was transferred to the Dominion treasury.

Increase in operating expenses of $38,072,000 was accounted for by $23,348,000 higher wage rates, $7,102,000 increased costs of materials, $5,893,000 additional for maintenance of track and equipment. The sharp increase in payroll costs was due to wage increases during the year, while an increase of $43,329,000 in fuel costs was the main item to show expansion in the supplies category.

Mr. Vaughan contends that more than passing attention should be directed to the higher cost of operation due to increased unit prices for labor and material, over which the management has no control.

Of 1944 write-offs, $10 millions was charged to operating expenses as provision for deferred maintenance, $1,140,000 for amortization of war projects and $2,375,000 for inventory reserve. For depreciation on rolling stock there was set aside $19,853,000, or "approximately $7 millions more than would be provided under average operating conditions."

How. Smith Working On Postwar Program

MONTREAL — Howard Smith Paper Mills, Ltd., has been preparing a program for improvements and changes, to be started after the war, Harold Crabtree, president of the company, stated at the annual meeting.

Mr. Crabtree predicted a period of activity in the immediate postwar period, except for a brief change-over interlude, though there would be a number of uncertainties. Tariffs, price controls and such factors would be important as regards future operations.

Management Services that include:

¶ Time, motion and methods study.
¶ Incentive plans.
¶ Training of foremen and supervisors in methods improvement, cost reduction, personnel relations and work simplification.
¶ Surveys of sales, distribution and merchandising methods, and analysis of markets.
¶ Surveys for the location of factories and branch warehouses.
¶ Surveys and installation of production, budgetary, profit and cost control methods and systems.
¶ Complete surveys of operations and organization.

J. D. WOODS & GORDON
LIMITED
15 Wellington St. W., Toronto, Canada

J. D. Woods, President W. L. Gordon, Managing Director
Ralph Presgrave • J. G. Glassco • J. A. Lowden
G. P. Clarkson • D. M. Turnbull • B. H. Rieger

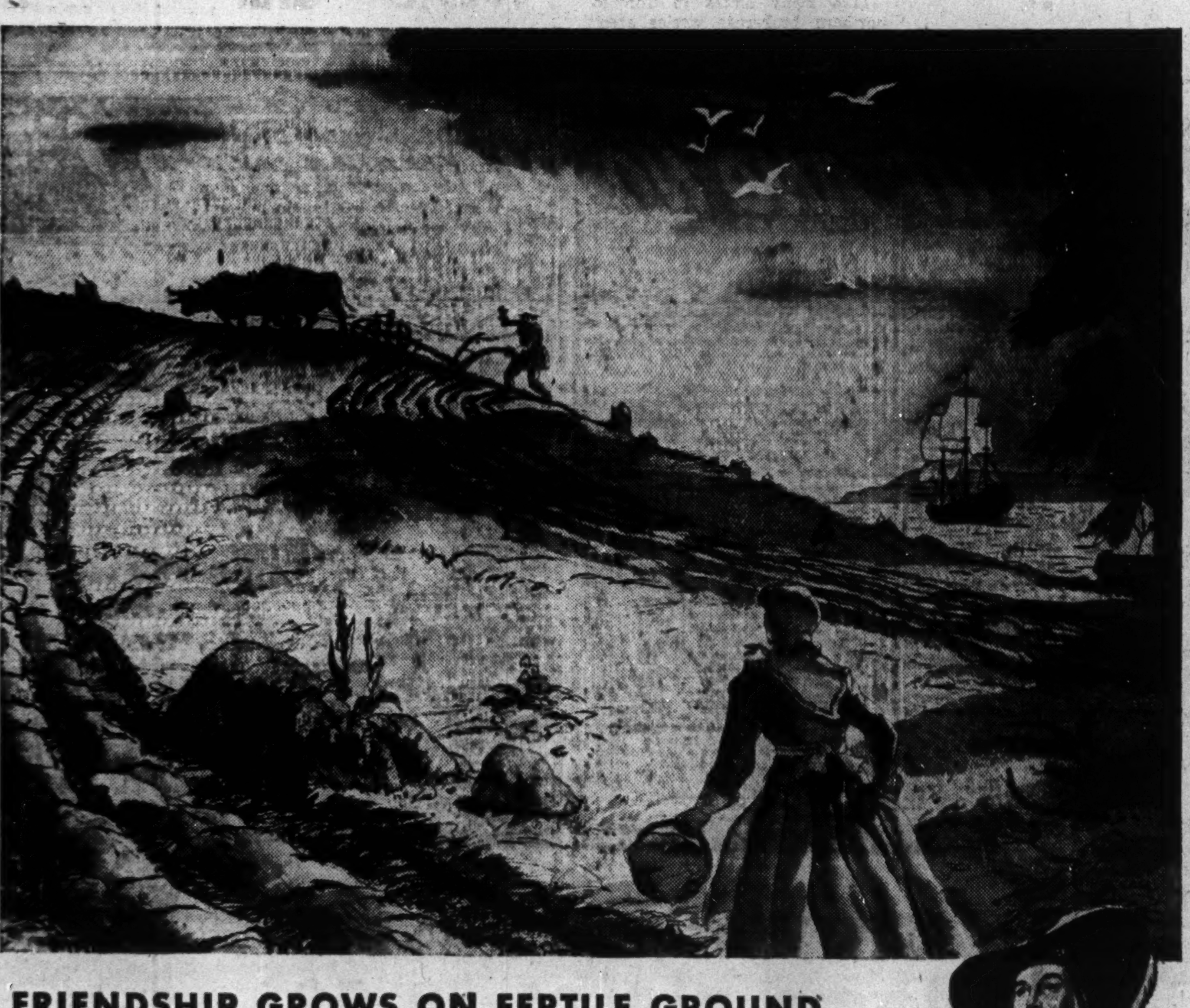
Industrial Engineers and Consultants

Abitibi Power & Paper Company, Limited
TORONTO, ONT.

Owning directly or through subsidiary companies, mills at

Beaupre, Que. — Iroquois Falls, Ont.
Pine Falls, Man. — Smooth Rock Falls, Ont.
Sault Ste. Marie, Ont. — Fort William, Ont.
Port Arthur, Ont.

Newsprint
Groundwood Pulp — News Sulphite Pulp
High Grade Bleached Sulphite Pulp



FRIENDSHIP GROWS ON FERTILE GROUND

The friendship between the British Commonwealth and the United States began generations ago, when courageous pioneers from England first tilled the soil of the New World. This friendship has endured through the years.

Today England and America must remain together for the benefit of world security. Bound by close ties to the historic soil of both nations, we of Canada can help in many ways the growth of this great partnership. Long the friend of both, we can interpret one to the other...foster the mutual understanding that is deep-rooted in the past.

We as individuals...and as a nation...are proud of our privilege to further the comradeship between John Bull and Uncle Sam.

Calvert
Distillers (Canada) Limited
AMHERSTBURG, ONTARIO

300 years ago Calvert said:
"I came to sowe... to build"

FAR back in the 17th Century, Calvert, a famous statesman and Secretary of State to King James I, was one of the earliest pioneers to plant a seed of friendship between the Old World and the New.

In 1622 Calvert founded a colony in Newfoundland and, a few years later, a colony in Maryland. In a letter to his King he wrote, "I came to build, to sett, to sowe...". The seeds of friendship between Britain and the United States, sown by Calvert over 300 years ago, have grown and flourished through the ages.

This mutual understanding, fostered three centuries ago by Calvert, thrives mightily today in the combined operations of Britain, America and Canada on the war fronts and at home. That great partnership must and shall endure in the peace that lies ahead.

PLANNING TODAY ENSURES PROSPERITY TOMORROW

BRITISH Columbia may look forward with confidence to her economic future. Spared from the ravages of war, blessed by abundant and diversified natural resources, this province is more favorably placed than any other economic area of Canada. Her per capita wealth is the highest in the Dominion, her industrial development has been most active, her geographic position is unequalled.

Naturally, our provincial finances reflect these conditions, especially by the manner in which we have been able to conserve funds to provide for tomorrow's needs. Notwithstanding the borrowing of approximately $47,110,000 for sundry purposes, the gross debt of the province has been reduced, since 1933, by $16,256,000 and now amounts to $150,743,000. During the same period the net debt was reduced by $4,399,614 to $132,419,000, resulting in a decrease of $1,874,000 in debt interest payments annually. The credit of the Province has never stood higher than now.

The continued upward trend of Provincial revenues, resulting in a reserve at present amounting to $16,886,000, allows ample coverage of a broad field of services in the coming fiscal year. These include increased provision for debt redemption, educational and health services.

A comprehensive programme of post-war public works has been adopted — $18,600,000 for new highways, $7,000,000 for provincial buildings, $5,000,000 for University extensions — a total of $30,600,000, nearly one-half of which will be financed by revenue surpluses.

Other far-reaching plans include the new "Power Act" under which a Commission will be enabled to acquire, construct, expand and operate electric power systems at cheapest possible rates.

No other economic area of Canada has provided for the needs of tomorrow in such a generous manner. Thus, the task of "winning the peace" in British Columbia is made easier. The time will come when we shall look back with pride upon a notable contribution, not only toward winning this greatest and most devastating war, but also to the establishment of an enduring peace.

DEPARTMENT of FINANCE • PARLIAMENT BUILDINGS
VICTORIA, B.C.

HON. JOHN HART
Premier and Minister of Finance

Tax Exemption for Joint Stock Cos. As Well United Grain Growers Ask McDougall Probe

By GORDON L. SMITH

OTTAWA — A compromise plan for taxation of companies faced with keen competition from the co-operatives was outlined before the McDougall Royal Commission on Taxation of Co-operatives this week. It came from the United Grain Growers Ltd., which on account of its co-operative origin but combination joint stock set-up and operation, occupies something like neutral ground in the present clash between the privately owned grain companies and the giant wheat pools. Because of this position, the UGG brief received keen attention and, until the sharply challenging cross-examination following its submission, there was considerable approval.

In a nutshell the UGG brief recommended that, pending adoption of the British type of corporation taxation in Canada, patronage dividends by both co-operatives and competitive private companies be exempt from income tax. For joint stock companies and co-operatives operating on a share capital basis it also recommends tax exemption on ordinary dividends up to 5%. In all cases this exemption would be limited to joint stock companies faced with substantial competition from the co-operatives. Finally the UGG suggests that section 4p (the tax exemption clause in the Income Tax Act) be continued, and the limit of 20% business with nonmembers be raised.

Will Fight to Hold "4p"

On the surface these recommendations seemed to meet most of the objections so far raised among the major forces lined up in this dispute. While many of the smaller and less complex co-operatives have declared that they don't need Section 4p because, as true co-operatives they have no income to tax in any case, the wheat pools and the big dairy co-ops are very much in the opposite camp. They want section 4p retained and there is little doubt that they will fight to have it retained.

On the stand last week spokesmen for the wheat pools practically admitted that it is only this official exemption that had kept them from being taxed ever since they abandoned pool or co-operative handling of wheat back in 1930. And it was one of the big dairy co-operatives, of course, that moved to have section 4p inserted in the Tax Act in the first place.

The UGG brief appears to indicate belief that no government would care to face the political pressure from western co-operative members even if the Commission did recommend elimination of the exemption clause. The UGG also apparently believes—and there has been abundant evidence before the commission to this effect—that the limiting of nonmember business to 20% in 4p is a joke and it might as well be raised. Scores of co-ops under cross-examination have admitted that they get round the stipulation by virtually eliminating all membership requirements and making all and sundry with whom they deal automatically members in good standing.

Patronage Divs. Issue

But the big argument in this enquiry and especially since grain entered the picture last week, has been over patronage dividends. For some years the tax-free co-operatives have been paying these. Privately owned competitors if they hoped to stay in business were forced to follow suit and applied for tax exemption. They were refused and then after some agitation the tax authorities finally assessed the pools for income tax on the dividends too.

There the matter rests and will continue to rest probably until Judge McDougall and his fellow commissioners make their report some time in the next three or four months.

The UGG under its charter was permitted to pay patronage dividends and did so on several occasions until last fall when it, like the wheat pools, credited but did not pay the money, pending clarification of the tax position.

The compromise suggested in the UGG brief regarding these patronage dividends, however, met severe criticism in the cross-examination.

Counsel for the North West Line Elevators Association, assailed the proposal on several counts. He argued that it could not be confined to those "other corporations in direct and close competition with co-operatives" as the brief advocated. Once a group of companies were allowed such exemption, he argued, it would spread to other groups all through the field of business, and very rapidly, because the co-ops were now in so many fields themselves. (Witness for the UGG admitted this was quite possible and also that in that case the loss of revenue to the Dominion treasury might be a good deal more serious than the brief had estimated.)

Moreover, argued the NWLEA counsel, even if competitive private companies and co-operatives like the UGG with a share capital were permitted to deduct patronage and minimum regular dividends before income taxes, this would not stop discrimination because there would be nothing to prevent the co-operatives paying out all their profits in patronage dividends. In that case, of course, competing private companies would be forced to do likewise, if they wanted to get the farmers' grain, and there would then be nothing left for shareholders' dividends, exempt or not.

And that possibility was quickly corroborated by the counsel for one of the big wheat pools, who candidly admitted that he could not see how the UGG plan would put all groups on the same competitive level.

"What would be the outlook for any competitor that did not or could not meet the patronage dividends of the pools?" the UGG witness was asked.

"Very dismal," was the frank reply.

"Where would private enterprise come out?" was the next question.

"That is a problem for them."

And then this from the chairman:

"Isn't your company to some extent involved in the same dilemma?"

Quite a few other angles of the UGG proposals were criticized by, several counsel and queried by members of the commission and the chairman. Spokesman for the company ended the discussion by stating that these were intended as suggestions for consideration only and that some modification would undoubtedly be advisable.

Wet Weather Delays Seeding; Conditions Favor Oats, Barley

From Our Own Correspondent

WINNIPEG—Although some limited areas in the West have made a fair start on seeding, the process has been delayed by wet weather and the season is now recognized as definitely backward. On the whole the country is well supplied with moisture for germination, while all of Manitoba and parts of Saskatchewan have been too wet. Lateness of the season may well interfere with a full seeding program for wheat, with a consequent increase in oats and barley, which can be seeded considerably later than can wheat.

The railways are making good progress in loading cars for the lakehead. The labor situation at terminal elevators there, which was beginning to give trouble again, has been improved by the assignment of conscientious objectors to work there.

All concerned in grain movement have been warned of immediate and urgent demands for overseas shipment. The grain shipping program in United States has been slowed down to some extent by congestion, with a large number of railway cars tied up under load. Evidently transportation conditions are likely to be a determining factor in the allocation of overseas shipments of grain from North America as between Canada and United States.

JOINS BOARD

Arthur F. White, elected a director of Hollinger Consolidated Gold Mines Ltd. He is vice-president of Canadian Bank of Commerce.

Bralorne Plans To Build Plant

Cariboo Gold Quartz Regards Its New Ore as Best Recent Find

From Our Own Correspondent

VANCOUVER — Bralorne Mines may have a new 750-ton cyanide mill in the near future. The present flotation mill handles 550 tons daily and concentrates are shipped to the Tacoma smelter of the American Smelting & Refining Co. The new mill, according to Managing Director Mel O'Brien, would handle 500 tons of regular feed and 250 tons of low grade ore.

President Austin C. Taylor says Foreign Exchange Control Board is being asked to allow part of Bralorne dividends to be paid from prewar surplus. At present dividends—which are now greater than the profit from the mine owing to shortage of labor—come partly from surplus accumulated since the beginning of the war. These are now nearing exhaustion, according to Mr. Taylor. Bralorne has about 16% of its shareholders in United States.

The company's policy regarding dividends will depend a good deal on the labor situation, but Mr. Taylor says that if the dividend is reduced it will not be a substantial cut.

New Find at Cariboo

During the past week Cariboo Gold Quartz reported the discovery of replacement ore, an average sample of which was 0.54 oz. over an average of 4.2 feet.

Managing Director Randal Rose reports that this includes samples from wide and narrow areas, as replacement ore is in streaks of fat and lean, like bacon, the lean being barren. At the Island Mountain mine, adjacent, the ore has been in more solid bodies. Mr. Rose regards the discovery as one of the most encouraging made in recent months, although its full extent has not been determined.

Like Bralorne and every other mine in British Columbia, Cariboo Gold Quartz has suffered critically from the shortage of manpower.

J. Y. Murdoch Outlines Canada's Copper Status

Since termination of agreements between Canadian copper producers and the British Ministry of Supply in January, 1945, Canada's exportable surplus copper has been going to United States, President James Y. Murdoch told Noranda shareholders at the annual meeting. Surplus metal over and above Canadian requirements is sold to the end of September and is under option to an agency of the U. S. Government for the last three months of this year.

Copper production from the Horne Mine dropped about 10,000 tons in 1944 from the first year of the war, due to the scarcity of labor, although tonnage reduction alone does not reflect the serious effects of manpower shortage upon the operating position of the mine, the president stated. During the past two years little or no development has been done, which means, Mr. Murdoch says, that about three years will pass before the mine can be restored to anything like its previous position. Ore reserves dropped approximately 1,250,000 tons during 1944.

Minnesota & Ontario Paper Co. announces payment on May 1, 1945, of the interest accrued on its 5% first mortgage income bonds for the calendar year 1944. Coupons due May 1, 1945, should be presented.

BUY VICTORY BONDS
MAKE VICTORY STICK

ANNOUNCING

Important Appointments in Canadian Industry, Finance, Business and Government.

Canadian Club of Toronto—E. G. Burton, president.

Montreal Curb Market—Gaston Gariepy, member.

Shell Oil Co. of British Columbia—N. Y. Knox, vice-president and general manager.

Shell Oil Co. of Canada — W. F. Mitchell, general sales manager.

Canadian Breweries Ltd.—Hon. Wilfrid Gagnon, director.

Standard Chemical Co.—T. Arnold, director.

Brompton Pulp & Paper Co.—Dr. C. W. Colby, director.

Alberta Association of Professional Engineers—James McMillan, Calgary, president; L. C. Stevens, vice-president.

International Nickel Co. of Canada—Rt. Hon. Viscount Margesson, director.

Consolidated Mining & Smelting Co. of Canada — S. G. Blaylock, chairman; R. E. Stavert, president; D. C. Coleman, vice-president.

National Carbon Co.—R. F. Tilley, general sales manager; R. M. Lynch, manager, Eastern division.

Thomas J. Lipton Ltd. — L. E. Hewett, Toronto, general manager for Canada.

National Association of Public Relations Counsel Inc., N.Y. — L. L. Knott, Montreal, member.

Empire Club of Canada — E. F. Thompson, president.

Canadian Oil Companies Ltd.—A. Ashton, director.

McColl-Frontenac Oil Co. — E. P. Taylor, director.

Board of Trade Club, Toronto—W. J. Smallacombe, chairman.

Canadian Institute of Mining and Metallurgy—A. E. Cameron, president.

Canada Malting Co.—Carr Hatch, director.

Polymer Corp. Ltd. — J. M. R. Nicholson, treasurer.

Eastern Steel Products—J. G. Lorrimer, director.

RCA Victor Co.—A. H. Elder, K.C., director.

Canadian Wool Co.—H. W. Phenix, vice-president; A. S. Russell, director.

Monarch Life Assurance Co. — Darrell Laird, assistant general manager and actuary; J. S. McPherson, manager of mortgage investments; H. R. Magee, manager of actuarial dept.

Steel Company of Canada—R. H. McMaster, chairman; H. G. Hilton, president.

Dept of Economic Affairs—Hon. A. J. Hooke, minister.

English Electric Co.—G. P. Campbell, J. E. Jahn, A. L. Ainsworth, H. C. Blenkhorn, directors; F. C. Douglas, secretary-treasurer; S. G. Cruttenden, comptroller.

Janis, Bruell & Evans (New York)—Peter G. Evans, partner.

B. C. Power Commission—Samuel R. Weston, chairman; W. W. Foster, Forrest L. Shaw, members.

Canada Iron Foundries, Ltd.—Garfield Kilpatrick and M. S. Grogan, directors.

Iron Fireman Manufacturing Co.—F. S. Hecox, vice-president and treasurer; C. T. Burg, vice-president in charge of sales; C. W. Snider, secretary; O. C. Spencer, director.

Consol. Bakeries of Canada — A. Earwaker, president and director; T. Bignell, vice-president; A. St. Clair Gordon, R. A. Laidlaw, H. J. Mero and R. L. Warren, directors.

Regent Knitting Mills, Ltd. — D. Drapeau and W. J. Radcliffe, directors.

Montreal Tramways Co.—George H. Montgomery, K.C.; vice-president; W. Taylor Bailey, director.

Canadian Bank of Commerce—T. F. B. Walker, supt., securities and investment dept.

Canadian Fairbanks-Morse Co.—T. H. McWilliam, president and general manager; Col. F. W. Miller, chairman of board; G. M. Niven, vice-president and general sales manager; C. H. Morse Jr. and C. H. Morse III, directors.

Can. Malting Operating About Same Rate as '44

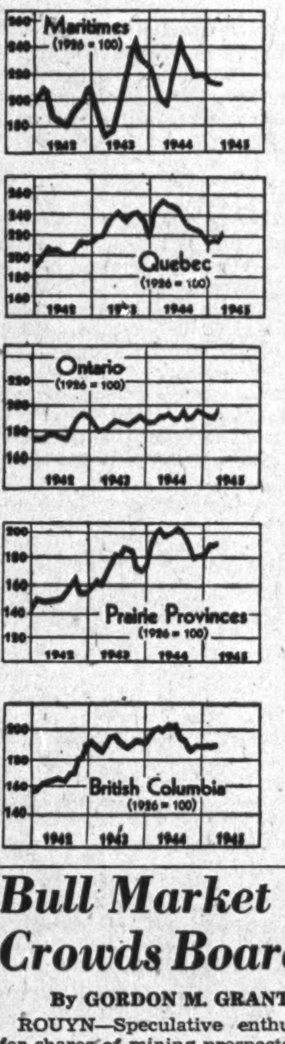
Shipments of Canada Malting Co. for the first three months of 1945 are approximately the same as for the same period of last year, Eric S. Clarke, president and managing director, stated at the annual meeting. The export business is down a little but the domestic business is higher than last year. It is hoped that later this year export business will be made up comparable to last year's business. As malt is in short supply the company is operating under a malt controller, Mr. Clarke pointed out.

By-law No. 10 which created the office of chairman of the board, which was filled by the late A. C. Matthews, was confirmed by the shareholders. Mr. Clarke stated that it was not the company's intention to fill this position again immediately.

Business Up in March In Five Economic Areas

The indexes of business activity for each of the five economic areas made a favorable showing in March compared with Feb. Advances were general, the rise having been appreciable in Quebec and Ontario. The business index of Ontario rose to a new high, confirming the upward trend of four years. The increases during March in the other economic areas accomplished little toward offsetting the recession from the high points reached during 1944. The index for Quebec had shown considerable recession from the early months of that year and the upward movement in March indicated a reversal even if it proves to be of a temporary nature.

New business obtained by the construction industry influenced the general indexes of each of the areas except the Prairie Provinces. Building permits were also at a higher position in both Quebec and Ontario. Amounts of cheques cashed in clearing centres showed gains in each area, especially in Ontario. The index of employment, after seasonal adjustment, receded in each of the areas except the Maritimes. Declines were general in the sales of life insurance.



Trend of Business in Economic Areas

	March 1945	% Change March 1944	Feb. 1945
Maritimes			
Constr. contr. ......$	1,500,000	—1.8	418,000
Bldg. permits ....$	126,000	—17.1	161,000
Life ins. sales $000	3,965	+2.2	3,600
Bank debits ..$000,000	111.8	+8.9	99.3
Elec. pwr. ..kw.h. 000	99,000	+28.6	88,000
Employment*	179.9	+1.6	182.5
Index	212.6	+7.0	212.5
Quebec			
Constr. contr. ......$	6,037,000	—0.7	4,429,000
Bldg. permits ....$	2,817,000	+22.7	1,392,000
Life ins. sales $000	14,289	—4.2	11,833
Bank debits ..$000,000	1,516	+13.6	1,311
Elec. pwr. ......kw.h.	2,026,000	—1.6	1,727,000
Employment*	189.1	—4.7	191.1
Newsprint prod...tons	263,776	+10.1	252,092
Cotton consump. ..lb.	14,987,978	+10.7	16,303,543
Index	222.4	—13.2	217.4
Ontario			
Constr. contr. ......$	6,085,000	—66.8	3,541,000
Bldg. permits ......$	6,464,000	+174.1	3,435,000
Life ins. sales ...$000	23,436	+0.6	21,535
Bank debits ..$000,000	2,673	+19.7	2,049
Elec. pwr. ......kw.h.	953,000	+5.4	823,000
Employment*	184.3	—0.3	184.2
Livestock slaught.*...	252.8	—22.9	248.7
Index	198.4	+2.6	192.4
Prairie Provinces			
Constr. contr. ....$	3,963,000	+36.9	3,202,000
Bldg. permits ....$	1,820,000	+111.1	783,000
Life ins. sales $000	8,293	+3.3	7,877
Bank debits ..$000,000	703	—13.0	684
Elec. pwr. ..kw.h. 000	270,000	—0.7	261,000
Employment*	145.3	+0.1	149.2
Wheat receipts ...bu.	13,678,000	—56.5	12,775,000
Wheat prices	125	—0—	125
Index	192.2	6.7	191.8
British Columbia			
Constr. contr. ......$	2,066,000	—5.4	1,342,000
Bldg. permits ......$	1,194,000	—16.3	1,454,000
Life ins. sales ...$000	3,821	—8.9	3,671
Bank debits ..$000,000	325.8	+11.0	289.9
Elec. pwr. ..kw.h. 000	238,000	+16.7	225,000
Employment*	172.0	—8.5	173.9
Index	191.7	—5.4	190.1

*1926=100. Employment statistics apply to preceding month.

**Cents and eighths of a cent per bushel.

Bull Market in Mining Shares Crowds Board Rooms of North

By GORDON M. GRANT

ROUYN—Speculative enthusiasm for shares of mining prospects is as high in the mining country itself as it is in the big cities. Brokers' board rooms in Kirkland Lake and Noranda — particularly Noranda—are constantly crowded and buying from these centres has caused some of the more important of recent market "bumps."

The brokerage office in Noranda, for example, is unable now to accept anything but market orders—without limit. When an accumulation of these is wired to Toronto before the market opens on a single issue purchase plans of the individual buyer sometimes take sudden and surprising turns.

One customer recently placed an order for 10,000 shares of Eldona which the night before was selling for slightly above $1 a share. His surprise can be imagined when confirmation came through for purchase of 10,000 shares at a price in excess of $2 a share.

Like many offices in Toronto, northern brokerage circles aren't accepting orders after 2.30 p.m. (although the market closes at 3 p.m.) because the last-minute pile-up of business usually is too heavy to handle.

With many individuals employing modest capital to scalp a profit out of a market which frequently puzzles the experts, at least one northern brokerage firm is requiring clients to put cash on the barrelhead before a transaction is completed. And no order will be accepted for less than 1,000 shares of a stock selling at less than 25c. a share.

It is not so long ago that most brokerage firms would have been glad to get the smaller kind of business.

BOOKS FOR BUSINESSMEN

LIVE DANGEROUSLY, by Axel Kielland (translated from Swedish text and original Norwegian manuscript by Carolyn Hannay); published by Wm. Collins Sons & Co., Canada Ltd.; 278 pages; price $2.50.

About the Norwegian "underground," not definitive but a rapid-paced thriller apparently compounded of fact and fiction, exuberantly told but with pungent understatement and spots of emotional drama. Here, a strangely assorted group of Norway's patriot "Joessings" match wits, small arms and high explosive with Quisling Hirdmen, Nazi SS troopers and a sinister Gestapo agent, in a series of episodes of the kind "made for the movies." This book makes comfortable as well as exciting reading—there are no descriptive hurdles or long-winded orations—but the presence of a good deal of typical Wodehouse slang may seem incongruous in Norway and to some a trifle annoying. Published in United States as Shape of Danger. The author is a former police reporter who escaped in 1942 from Norway to Sweden.

TWO SOLITUDES by Hugh MacLennan; published by Collins; 370 pages; price $3.

This is the well-told story of half a dozen interesting people, against a background of Montreal and a small parish in Quebec.

The first two sections of the book deal with the years 1917-18 and 1919-21. Here the author sometimes seems so anxious to get across to the reader his interpretation of the problems of a small Quebec parish (in which the scene is laid) that he puts into the thoughts of some of his characters sentiments they seem unlikely to have held. This detracts from otherwise excellent characterization in this section. Similarly, Mr. MacLennan employs long passages of exposition to get across points which one feels might have been made more effective if he had used character and incident to dramatize them. That he can construct a strong, dramatic and loaded situation is amply demonstrated in the passages between Athanase Tallard and the parish priest, which are most compelling.

It is in the last two sections of the book, however, that the author seems to be at his best. These sections deal chiefly with the problems of Paul Tallard, son of a French-Canadian father and an Irish-Canadian mother. Paul symbolizes the unity of the races—he points out in one place that he speaks French without an English accent and English without a French accent, and one feels this is his character in general.

The other chief actor in these sections (which deal with the periods 1934 and 1939) is Heather Methuen. With these characters Mr. MacLennan appears more at home, possibly because he is dealing with his contemporaries. The scenes between Heather and Paul in the last section of this book are among its best.

What flaws there are in this book arise chiefly from the difficulty of presenting, in 370 pages, a complex Canadian theme to readers unfamiliar with the background. It can hold its own in the rank of novels written in English and is outstanding among Canadian novels to date.

OUR DIPLOMATS AT WORK by Blair Fraser; Behind the Headlines Series, Vol. V., No. 3; published jointly by the Canadian Institute of International Affairs and the Canadian Association For Adult Education; 31 pages; price 10c.

As Canada engages in one of the most important diplomatic exercises in her history—the San Francisco Conference—the Canadian Institute of International Affairs and the Canadian Association for Adult Education have produced another in the Behind-the-Headlines series, this time dealing with Canadian diplomacy. Smoothly written and full of information, the pamphlet makes clever use of the current conference and previous newsworthy diplomatic events to get across very clearly the workings and background of Canada's Department of External Affairs. The author of the pamphlet, Blair Fraser, is Ottawa editor of Maclean's Magazine, and is currently in San Francisco watching our diplomats at work.

A CANADIAN PEOPLE by Lorne Pierce; published by The Ryerson Press; 84 pages; price: cloth, $1.50; paper, $1.

This is an extended essay in which Dr. Pierce, after a quarter of a century as editor of The Ryerson Press, sets forth his conclusions about the Canadian scene. The stature of the author and his peculiar opportunities to watch Canadian thought during that crucial 25 years, contribute more than anything to the interest of this book. It is a vehement argument for unity in which there is much sincerity. Some of Dr. Pierce's views have a familiar ring. Some, on the other hand, are highly original, and the net result is a thorough survey of urgent Canadian problems very stimulating at this critical time.

Sherritt Gordon Mines reports net profit of $485,774, equal to 8 cents per share in 1944, as compared with $429,462, or 7 cents per share in 1943. Working capital increased approximately $300,000. Copper ore reserves declined from 2,798,000 tons to 2,175,000 tons, while tons milled dropped from 770,099 tons to 731,783. The company completed a contract for the sale of zinc concentrates until September, 1945. Considerable diamond drilling was completed on the easterly extension of the Bob Lake structure, but nothing of economic importance was found.

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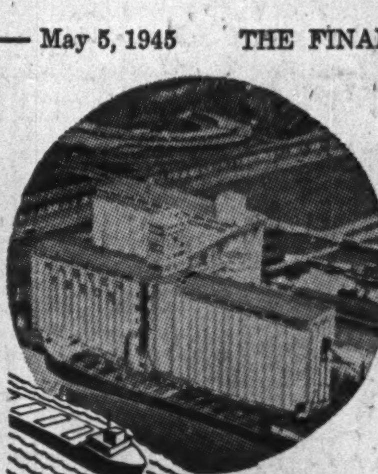

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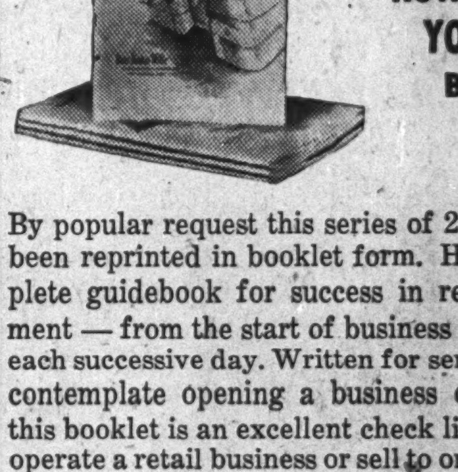

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1944 RESULTS

LIFE INSURANCE IN FORCE	Increase 14%	$1,013,019,649
ASSETS	Increase 17%	122,624,617
TOTAL PREMIUM INCOME	Increase 31%	29,940,317
PAYMENTS TO POLICYHOLDERS	Increase 23%	12,173,000
CAPITAL AND SURPLUS	Increase 38%	8,175,715
ACCIDENT AND SICKNESS PREMIUMS (in force)	Increase 60%	4,949,936

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OCCIDENTAL LIFE

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W. LOCKWOOD MILLER, General Manager

Agency Inquiries Invited

More Insurance Written By Fraternal Societies

Increases Shown in Business in Force and New Business Written By Canadian and Foreign Dominion Licensed Societies in Canada

Canadian members of Dominion licensed fraternal societies, at the end of 1944, had over $225 millions of life insurance with those organizations, according to figures released by G. D. Finlayson, Dominion superintendent of insurance. This is a gain of more than 6% over the previous year, and is distinct from the $9 billions of life insurance held with the regular "line" insurance companies.

New insurance written by the fraternals in Canada in 1944 was over $27 millions compared with $25 millions in 1943.

The business was distributed over 41 societies of which 13 are Canadian organizations, the remaining 28 having their head offices in United States. The Canadian companies, though fewer in number, did about 60% of the total business, having $136 millions of insurance in force at the end of 1944. Both the Canadian and United States groups showed increases in the total business in force and new business written.

Four of the 13 Canadian fraternals do business outside Canada, the Alliance Nationale, the Artisans Canadiens Francais, the Grand Orange Lodge of British America, and the Independent Order of Foresters.

Figures of the Canadian societies for business at home and abroad and for the Canadian business of foreign societies in Canada with comparisons follow.

CANADIAN FRATERNAL SOCIETIES—DOMINION LICENSED

	Business in Force 1944	Business in Force 1943	New Business Issued 1944	New Business Issued 1943
Alliance Nationale a	44,923,485	42,711,246	6,373,840	7,583,136
Alliance Nationale b	4,265,677	4,286,712	89,000	111,000
Alliance Nationale c	49,189,162	46,997,958	6,462,840	7,694,136
Artisans Canadiens Francais a	37,308,375	35,304,920	3,648,350	3,486,200
Artisans Canadiens Francais b	14,348,037	14,259,690	498,100	382,150
Artisans Canadiens Francais c	51,656,412	49,564,610	4,146,450	3,868,350
Associated Can. Travellers ac	175,760	134,780	70,410	71,880
Can. Woodmen of the World ac	3,040,870	3,021,281	161,819	208,498
Catholic Mut. Benefit Assoc. ac	2,165,628	2,244,171	9,000	4,500
Comm'l Trav. Assoc.†	......	......	......	......
Dom. Com'l Trav. Assoc. ac	3,955,507	3,917,955	34,166	41,090
Grand Orange Lodge of Brit. Am. a	4,753,073	4,422,777	415,150	345,950
Grand Orange Lodge of Brit. Am. b	122,863	114,257	9,500	4,000
Grand Orange Lodge of Brit. Am. c	4,875,936	4,537,034	424,650	349,950
Indep. Order of Foresters a	32,062,340	31,118,326	3,827,000	2,908,000
Indep. Order of Foresters b	68,255,991	68,563,989	2,978,743	2,544,000
Indep. Order of Foresters c	100,318,331	99,682,315	6,805,743	5,452,000
Italo-Canadian ac	173,458	171,174	15,000	20,625
Sons of Scotland ac	5,750,335	5,284,267	630,000	501,000
Ukrainian Frat. Soc. ac	1,203,600	1,357,300	34,000	......
Ukrainian Mut. Ben. Assoc. ac	524,750	473,975	63,100	60,250
Total a	136,037,181	130,162,172	15,281,835	15,231,129
Total b	86,992,568	87,224,648	3,575,343	3,041,150
Total c	223,029,749	217,313,345	18,857,178	18,272,279

a In Canada. b Outside Canada. c Total business.
† Figures not readily available.

FOREIGN FRATERNALS IN CANADA—DOMINION LICENSED

	Business in Force 1944 $	Business in Force 1943 $	New Business Issued 1944 $	New Business Issued 1943 $
Aid Ass'n for Lutherans	2,480,407	2,166,409	322,250	239,000
American Mutual	437,183	467,828	......	......
American United	560,186	586,883	......	......
Ass'n. Canado-Américaine	5,908,575	5,039,434	1,447,100	1,402,300
Brotherhood of Railroad Trainmen	14,903,828	14,917,778	812,500	1,074,050
Catholic Order of Foresters	9,666,816	9,554,083	610,000	403,500
Croatian Fraternal Union	3,111,400	2,802,700	280,000	94,400
Expressmen's Mutual	37,990	38,990	......	......
First Catholic Slovak Ladies Union	150,142	146,127	1,000	......
First Catholic Slovak Union	816,500	747,000	94,000	102,500
Jewish National Workers' Alliance	1,015,791	794,906	259,900	163,600
Knights of Columbus	23,478,513	20,865,343	3,977,500	2,233,500
Ladies' Catholic Benevolent Ass'n.	177,963	183,826	......	......
Lutheran Brotherhood	656,700	659,700	5,000	28,500
Lutheran Mutual	259,713	283,718	......	......
Maccabees	16,305,187	14,376,168	3,543,659	3,338,803
Ministers Life and Casualty Union	1,440,619	1,210,546	286,000	202,000
Modern Woodmen	1,145,691	1,194,831	6,000	5,500
Nat. Fraternal Society of the Deaf	287,430	252,641	39,000	68,000
National Slovak Society	304,009	306,296	......	......
Royal Arcanum	2,720,050	2,626,432	266,000	261,000
Slovene National Benefit Society	166,700	167,600	2,500	......
Sons of Norway	341,662	332,662	16,000	93,500
Ukrainian National Ass'n.	835,508	659,508	214,500	194,000
Ukrainian Workingmen's Ass'n.	278,750	189,750	102,000	42,935
Woman's Benefit Ass'n.	1,959,163	1,934,207	105,150	105,461
Women's Cath. Order of Foresters	124,994	128,994	1,000	......
Workmen's Circle	186,900	192,700	......	......
Total, 1944	89,758,370	82,827,060	12,391,059	10,052,549
Grand Total	312,788,119	300,139,405	31,248,237	28,314,328

Distribute ARP Stirrup Pumps Among Rural Policyholders

Two thousand stirrup pumps purchased originally by the Dominion Government for ARP work, have been sold by War Assets Corp. to the Lennox & Addington Mutual Fire Insurance Co. (head office Napanee, Ont.) to be distributed to rural policyholders for use as fire fighting equipment in homes and farm buildings. Another 15,000 pumps have been sold to the Department of Veterans' Affairs for use as insecticide sprayers on farms occupied by ex-servicemen.

The distribution of these pumps among the insurance company's policyholders is in line with the policy followed previously by certain companies operating in rural districts of distributing fire extinguishers to policyholders in areas with little or no fire protection, to minimize the fire toll. The pumps, it is understood, can be readily operated wherever there is a supply of water available from a well, pond or creek.

With the need for ARP activities past, the government was faced with the need of disposing of these pumps and the Veterans' Affairs Department and the insurance field apparently offered two good outlets.

BUY AND HOLD VICTORY BONDS

Life Insurance Sales Decline

Monthly Total Slightly Lower Although 5 Provinces Show Gains

New life insurance, bought by the people of Canada and Newfoundland in March, totalled $54.4 millions, about $710,000 less than in March, 1944. Despite the decline in the total, increases were shown in five provinces, sales in Alberta, Saskatchewan, Ontario, Nova Scotia and Prince Edward Island being higher.

The figures, announced by the Canadian Life Insurance Officers Association, are based on reports representing 87% of the new ordinary life insurance written in Canada and Newfoundland. They include only ordinary insurance just brought into force, exclusive of dividend additions, reinsurance acquired, annuities, group insurance etc.

Life Insurance Sales Canada and Newfoundland (000's of $)

Sales for March:	1945	1944
British Columbia	3,821	4,194
Alberta	3,333	3,178
Saskatchewan	2,077	1,939
Manitoba	2,883	2,914
Ontario	23,486	23,350
Quebec	14,289	14,912
New Brunswick	1,400	1,603
Nova Scotia	2,235	2,067
Prince Edward Island	330	209
Newfoundland	559	757
	54,413	55,123

Sales by Months, 1942-1945 (000 of $'s)

	1945	1944	1943	1942
Jan.	48,375	57,019	40,420	43,081
Feb.	49,339	53,193	40,420	39,357
Mar.	54,413	55,123	46,730	35,876
Apr.	.....	53,464	51,104	36,232
May	.....	53,775	49,726	40,336
June	.....	54,334	52,475	43,898
July	.....	52,196	51,228	44,868
Aug.	.....	41,970	45,612	39,963
Sept.	.....	42,827	49,288	55,798
Oct.	.....	49,332	53,919	57,795
Nov.	.....	53,286	54,087	52,042
Dec.	.....	47,618	51,999	45,576
Total		614,117	587,008	534,822

Gatineau Will Expand Facilities After War

MONTREAL (Staff) — Gatineau Power Co. plans additions to its generating and transmitting facilities, and will continue its pre-war policy of rural extensions as soon as wartime labor and material restrictions are relaxed, G. Gordon Gale, president, stated at the company's annual meeting.

Mr. Gale said that, although wartime conditions hitherto have controlled normal extensions to Gatineau Power's retail business, and other than necessary maintenance of plants and lines, facilities will be provided after the war for rural and industrial expansion. In 1944, he said, 2,000 new customers were connected to the company's system of which approximately 25% resulted from special rural extensions in districts not previously served.

Gatineau Power Co's system originally comprised 11 separate systems, it was stated, and these have been interconnected and rehabilitated, making possible a much improved service. From time to time rate adjustments have been made, and the substantial reductions which became effective recently have now resulted in standardization of rates throughout the territory served.

BUY VICTORY BONDS
MAKE VICTORY STICK

B. C. Electric Railway Looks at Power Future

From Our Own Correspondent

VANCOUVER — An outline of B.C. Electric Railway Co.'s thinking about future power development was given by President W. G. Murrin at the annual meeting in Vancouver last week. Said Mr. Murrin:

"We are bound to plan for an adequate power supply to meet anticipated development, but on the other hand, expenditures in this direction too far ahead of the time when revenues will be available to support such expenditures would not only add to the costs of service—which the consumers would eventually be called upon to pay—but would be contrary to sound finance and destructive of that confidence which is necessary in the money market to assure further capital requirements.

"Our load is still increasing and while we probably shall be able to carry the increase by the full employment of our plant facilities for this year, the figures of such increase do not indicate that we can safely take any chances on next year's requirements, still less on the requirements for the subsequent years covering the minimum period during which the Bridge River project could be brought into use."

Mr. Murrin tells of the negotiations to bring in power from the Bonneville power administration in the adjacent state of Washington, and expresses hope the B.C. Government will grant its approval of the deal as soon as possible.

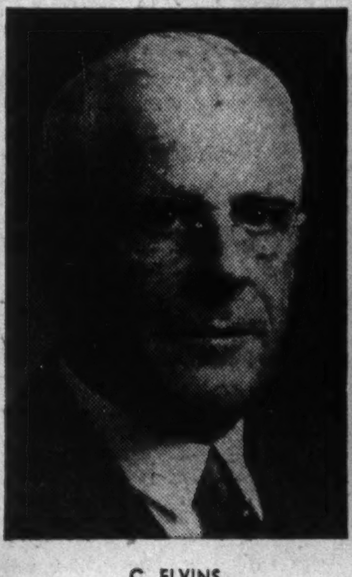
He also refers to the $50 millions postwar development program planned by B.C. Electric Railway Co. In addition to power increase plans the company hopes to make extensive changes in its tramway, bus and other operations in British Columbia cities which it serves.

Can. Iron Fdries. Busy

MONTREAL (Staff)—Canada Iron Foundries, Ltd., has sufficient business on its books for 100% capacity operations until the end of 1945, W. J. Langston, president and general manager, stated at the annual meeting. It was hard to foresee beyond 1945, he added, but the company "is in a good position to take advantage of such situations as may arise." Garfield Kilpatrick of New York and M. S. Grogan, vice-president and treasurer, were elected directors to replace Arthur Cross of Montreal and T. Clough of Toronto.

Montreal Curb Market has admitted to trading on the unlisted section the four million no par value shares of Lake Fortune Gold Mines Ltd.

BUY AND HOLD VICTORY BONDS



C. ELVINS H. B. BROWN

Following a brilliant advertising career embracing more than forty years of service with The Imperial Life Assurance Company of Canada, Clifford Elvins, Advertising Manager, has retired from active business life. He is a past president and one of the founders of the Association of Canadian Advertisers and of the Insurance Advertising Conference, also a former vice-president of the Direct Mail Advertisers Association. Prior to 1936 he was for twenty-nine years secretary and treasurer of the Insurance Institute of Toronto.

H. B. Brown has been appointed to occupy the vacated post. Former Assistant Advertising Manager, he has been engaged in editorial and publicity work for The Imperial Life for the past fifteen years.

The Wawanesa Mutual Insurance Company

Admitted Assets	$5,024,159.53
Surplus	2,678,420.06
Dom. Govt. Deposit	2,450,734.89

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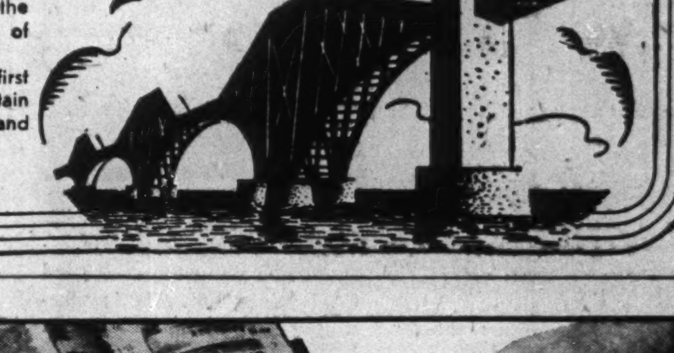

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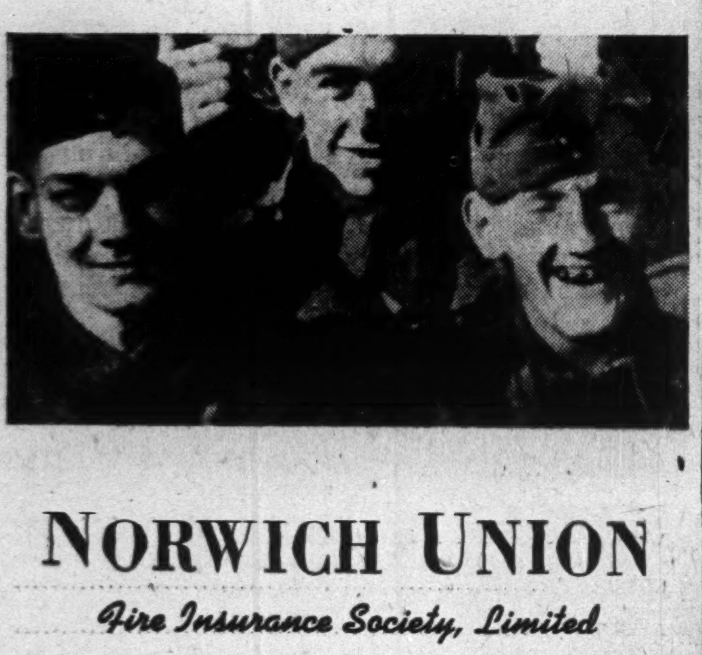

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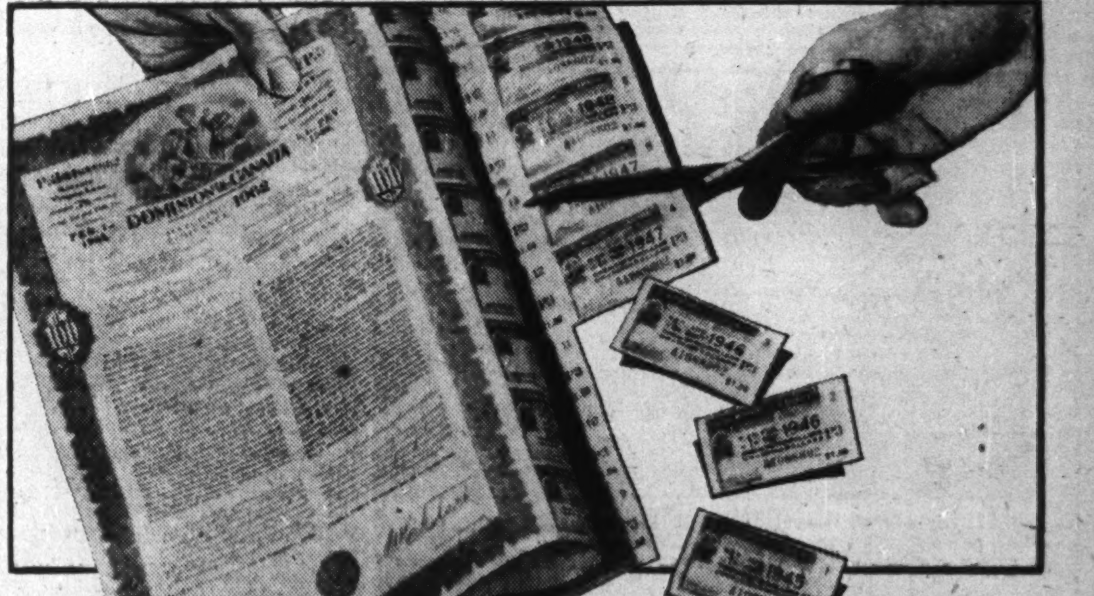

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Demand For Small Personal Loans Varies Among the Chartered Banks

While most of the Canadian chartered banks have been making determined efforts to extend their small personal loan business, the results achieved so far show considerable variation among individual institutions. Some report no change in the volume while others again state there has been a substantial increase. In practically every case, however, bankers contacted by The Financial Post, believed that the readiness shown to meet a public need had encouraged a more friendly feeling for the banks.

Efforts of the banks to develop small loan business have included the distribution of circulars giving information on the procedure to be followed in seeking a loan, the cost etc.; display advertisements in the newspaper giving information of the same kind. There has been a greater readiness to make loans of this character.

In some cases, where the demand has shown little change, it was explained that under present economic conditions, with most employable people earning good wages, the need of borrowing money was less than normal but that an increase would probably be seen if the average wage level dropped or employment become less general.

Bankers generally regard the small loan business more as a goodwill builder than a source of any substantial income. They say it takes just about as much work to handle a loan of $100 as one of $1,000 while the interest return is restricted to a maximum rate of 6% per annum. Postage, etc. on a letter dealing with a small loan is just the same as in a larger one.

The small loan business is not new to the banks, they claim, but some have developed it further than others. All, however, indicate that it is easier for the individual to get a small personal loan now than formerly, the feeling being that while in some cases no profit may result from a transaction the goodwill that may be built is worth the trouble.

Loans to Buy Houses

One bank contacted by The Financial Post reported a good demand for personal loans coming from people who wanted to buy homes but not having the ready cash. Many returned soldiers, it was stated, are in this position. The rehabilitation grants in such cases are pointed to as a big factor in granting credit.

In some quarters, however, it is felt the small loan business may lead to difficulty later, as a person who loses his job or sustains a salary cut may have difficulty in repaying his debt. One banker stated that while many people like to borrow, they are not always so ready to repay the debt and if pressure is put on them they are apt to become annoyed.

Meanwhile the finance companies interviewed say they have found no decline in their own business resulting from the efforts of the banks to attract business. The manager of one company in fact stated he had experienced an increased demand for loans, probably due to the need of money for a down payment on a house mentioned by a bank manager previously.

BANK OF CANADA

Total Assets Up Deposits Higher

A moderate increase in total assets is shown in the Bank of Canada's weekly statement for the week ended April 25, the rise being entirely in holdings of sterling and U.S. exchange. Investments and miscellaneous assets were slightly lower.

On the liability side, circulation and deposits were both higher.

	Apr. 25 1945 $	Apr. 18 1945 $
Liabilities		
Notes in circ. ..	1,058,960,249	1,056,663,297
Capital paid up .	5,000,000	5,000,000
Rest fund	10,050,367	10,050,367
Deposits: Dom. .	28,174,137	32,389,045
Chartered bks.	455,248,117	441,245,937
Other	46,729,982	32,209,134
Total deposits .	530,152,236	516,844,130
Liabs., payable in sterling, U.S.A. and For. Gold currencies	171,872,273	174,072,293
All other liabs. .	12,355164	12,092,763
Total liabs.	1,788,390,289	1,774,722,838
Assets		
Sterl. & U.S. ex.	197,722,273	182,322,273
Subsid. coin ...	458,198	469,826
Investments:		
Dom. gov. sh.	940,663,882	939,445,128
Oth. Dom. gov.	624,474,412	626,565,143
Other secs. ...	10,000,000	10,000,000
Total invest.	1,575,138,294	1,576,010,271
Premises	1,838,396	1,825,396
All other assets .	13,246,125	14,095,072
Total assets	1,788,390,289	1,774,722,838

Asbestos Corp. Increases Net

MONTREAL (Staff)—The present situation—of continuing upward trend in costs of Asbestos Corp. while selling prices remain unchanged—cannot continue indefinitely, R. W. Steele, president, stated at the company's annual meeting.

Mr. Steele reported that, owing to reopening of markets for the company's products in France and Belgium, with shipments already made to these countries, shipments and net profits of Asbestos Corp. showed a considerable increase in the first quarter of this year over the corresponding 1944 period. There have been small increases in prices on shipments to countries other than the United States and the British Empire, the two big markets.

Confidence was expressed that demand for asbestos would continue at a high level after the war. In the building trades in the United States there is a considerable lag in supplies. Germany and Japan, important buyers of Canadian asbestos before the war, are unlikely to be an important market factor for a long time, while such countries as Czechoslovakia, Hungary, Poland and Austria are likely to come under the Russian sphere of influence and probably will get their postwar supplies of asbestos from Russia.

On the favorable side, has been an increase in production of asbestos products in South America, Australia and New Zealand, providing export demand in those countries.

The policy of the company as regards ore reserves, said Mr. Steele, is to place enough new ore in sight each year to more than replace the amount of ore taken out. The labor supply situation is tightest it has been so far, but easing is expected with the end of the war.

Saguenay Power Co. Earnings Show Gain

MONTREAL (Staff)—Consolidated statement of Saguenay Power Co. and subsidiaries (except Saguenay Electric Co.) for the quarter ended March 31, 1945, shows net income of $267,066, after all charges including income and excess profits taxes, equal after preferred dividends to 94 cents a share on the common stock, as compared with net income in the corresponding 1944 quarter of $237,977, or 86 cents a common share.

Operating revenue was $1,440,097 against $1,396,342 last year. Operating expenses and tax provision were higher this year, depreciation provision little changed, while interest payments were slightly lower. After dividends there was a deficit for the quarter of $11,686 compared with deficit the year before of $40,775.

Quebec Power Profit Shows Little Change

MONTREAL (Staff) — Although gross revenues of Quebec Power Co. in first quarter of this year declined from the like 1944 period by $6,249 to $1,135,842 (reflecting lower rates in effect this year), net income after taxes rose slightly, to $144,448 from $143,826. Earnings on the common stock amounted to 26 cents a share in both periods.

Operating expenses were up $46,061 over last year, at $661,647, but depreciation provision was unchanged and fixed charges showed a slight reduction while provision for income and excess profits taxes dropped to $98,157 from $149,814. Surplus for the quarter, after dividends, amounted to $6,148 against $5,526 the year before.

BUY VICTORY BONDS
MAKE VICTORY STICK

ON McCOLL BOARD

E. P. Taylor, elected to the directorate of McColl-Frontenac Oil Co. Mr. Taylor is chairman of the board of Canadian Breweries Ltd.

Staff Changes

The Bank of Montreal announces the following staff changes:

F. W. M. BROWN, of head office to be manager, public relations department, head office.

P. H. HOWARTH, assistant to the general manager, head office to be assistant superintendent Ontario district with headquarters in Toronto.

J. MACRAE, assistant superintendent Ontario district to be assistant superintendent British Columbia district.

A. PATERSON, manager at Morrin, Alta., to be manager at Carnduff, Sask.

H. SKJEIE, accountant at Camrose, Alta., to be manager at Morrin, Alta.

R. V. CAMPBELL, assistant superintendent Alberta district to be manager Regina.

* * *

The Dominion Bank announces the following staff changes:

W. S. ASHLEY formerly manager Medicine Hat, Alta., to the western supervisor's department, Winnipeg.

H. R. HUTCHINSON, formerly accountant Regina, to be manager Medicine Hat, Alta.

ANDREW SMITH, formerly general manager's secretary, to be assistant manager at Regina.

C. D. WALMSLEY to be accountant St. Thomas, Ont.

W. E. STEVENSON, formerly accountant Rosedale, Toronto, to be accountant Bloor St. and Dovercourt Rd., Toronto.

W. E. JACKSON, formerly accountant Bloor St. and Dovercourt Rd., Toronto, to be accountant at Rosedale, Toronto.

* * *

The Royal Bank of Canada announces the following staff changes:

G. R. METCALFE to be manager Turner Valley, Alta.

C. P. PETRIE, head office, Montreal, to be manager, Lachine, Que.

J. D. CAMPBELL, accountant Pernambuco (Recife) Brazil, to be relieving manager, Santos, Brazil.

J. A. J. M. LAMBERT, accountant Chictoutimi, Que., to be accountant, Three Rivers, Que.

P. P. G. MUNRO, accountant Maracaibo Ven. to be accountant Caracas, Ven.

E. J. VALLES, to be accountant, Maracaibo, Ven.

O. C. WEARY, Lachine, retires.

R. G. HUGHES, manager Pictou, N.S., to be manager Yarmouth, N.S.

R. J. ROGERS, assistant manager Rio de Janiera, Brazil, to be manager Pernambuco (Recife), Brazil.

A. M. ROY to be manager Pictou, N.S.

J. A. SCRIVEN to be manager Montreal West, Que.

W. T. TURNER, Montreal West, and E. C. WILSON, Yarmouth, retire.

* * *

The Bank of Nova Scotia announces the following staff changes:

C. H. CAMERON to be manager Sherbrooke and Greene, Westmount, Que.

H. C. MORRIS, to be manager Milton, Ont.

M. M. BUGG, to be accountant Portage la Prairie, Man.

J. H. INGRAM, to be accountant Sarnia, Ont.

* * *

The Canadian Bank of Commerce announces the following staff changes:

D. A. BROWN recently R.C.A.F. and formerly accountant Lloydminster, Sask., to be manager, Maidstone, Sask.

J. B. FEENEY, recently R.C.A.F. and formerly manager Vanderhoof, B.C., to be manager Penticton, B.C.

A. L. BRIEN, manager Outremont, Que., to be manager Sudbury, Ont., succeeding J. P. TAILLON, retiring.

EAST CREST OPTIONS

East Crest Oil Co. has advised the Toronto Stock Exchange that payment has been received covering April 16 installment, comprising 200,000 shares, together with April 29 installment, comprising 100,000 shares, under Oct. 31, 1944, agreement, as amended, with Verona Rock Products Ltd. Balance of agreement comprises an option on 400,000 shares with next installment exercisable by May 14. Issued capital is 3.6 million shares.

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Insurance Reports

Theft Insurance

(Dominion and Provincial Licensed Companies Experience in 1944)

(A)—Group Experience

	Net premiums written $	Net losses incurred $	Ratio %
British America-Western:			
British America .	12,155	4,466	37.05
British Candn. ..	7,188	2,785	38.70
British Empire ..	4,049	1,460	36.06
Imp. Guar. & A. .	6,542	2,480	37.91
Western Assur. ..	21,072	8,138	38.62
	50,906	19,329	37.96
Canadian Surety:			
Amer. Surety ...	12,620	297	2.35
Canadian Surety.	17,405	5,021	28.85
	30,025	5,318	17.71
Canadian Fire:			
Canadian Fire ...	16,504	2,618	15.86
Canadian Indem.	62,335	24,660	39.56
	78,839	27,278	34.60
Canadian General:			
Candn. General .	42,316	12,292	29.05
Toronto General .	34,622	10,221	29.52
	76,938	22,513	29.26
Century:			
Anglo-Scottish ...	2,299	1,299	56.50
Century	2,107	407	19.32
	4,406	1,706	38.72
Commercial Union:			
Canada Acc. & F.	11,633	1,942	16.69
Union Assur.	4,645	302	6.50
Comm. Union ...	8,258	3,442	41.68
	24,536	5,686	23.17
Dominion of Canada:			
Casualty Co.	12,472	4,197	33.65
Dom. of C. Gen. .	37,775	13,184	34.90
	50,247	17,381	34.59
General Accident:			
Gen. Acc. of Can.	59,856	15,917	26.59
Gen. Acc. F. & L.	12,444	3,232	25.97
	72,300	19,149	26.49
London Assur.:			
Guildhall Ins. ..	4,156	2,459	59.17
London Assur. ..	2,361	846	35.83
	6,517	3,305	50.71
London & Lancashire:			
Law Union & R. .	1,404	41	2.92
Lon. & L. G. & A.	14,869	7,783	52.34
	16,273	7,824	48.07
North British & Mercantile:			
North British	14,729	12,515	84.97
Occidental Fire ..	2,028	2,029	100.05
Railway Pass. ...	4,735	777	16.41
	21,492	15,321	71.29
Northern:			
Lond. & Scottish.	1,801	793	44.03
Northern Assur. .	29,851	10,058	34.00
World Marine ...	9,150	2,974	32.50
	40,802	13,825	33.88
Norwich Union:			
Canada Security .	7,618	3,289	43.17
Norwich Union ..	27,686	16,484	59.54
	35,304	19,773	56.01
Phoenix of London:			
Union Marine ...	9,846	5,482	55.68
Lond. Guar. & A.	25,923	6,090	23.49
Phoenix Assur. ..	18,190	11,669	64.15
	53,959	23,241	43.07
Royal-Liverpool:			
Globe Indem.	49,675	14,264	28.71
Liver. & L. & G.	5,566	1,585	28.48
Royal Insur.	54,990	5,465	9.94
	110,231	21,314	19.34
Sun:			
Sun Insurance ...	6,660	3,274	49.16
Imperial Ins.	1,675	577	34.45
	8,335	3,851	46.20
United States Fidelity:			
Fidel. Ins. of Can.	44,566	16,920	37.97
U. S. Fid. & Gr.	90,372	29,467	32.61
	134,938	46,387	34.38
Yorkshire:			
London & Prov. .	5,850	714	12.21
Yorkshire	16,554	5,198	31.40
	22,404	5,912	26.39
(B)—Individual Co's.			
Arex Ind.	2,049	—602	....
Atlas	9,517	1,508	15.85
Brit. N'western .	3,005	1,328	44.19
Can. Mercantile .	13,405	10,960	81.76
Comm. Casualty .	21,445	11,770	54.88
Comm. Mutual ..	13,401	10,960	81.78
Continental Cas. .	8,003	3,750	46.86
Economical	4,963	405	8.16
Employers' Liab..	70,586	24,799	35.13
Employ. Rein. ...	6,333	67	1.06
Federal	8,036	4,612	57.39
Fidelity & Cas. ..	259	....	....
Gen. Cas. of Am.	17,165	9,642	56.17
Gen. Reinsurance	8,270	1,703	20.59
Gen. Security ...	16,147	9,258	57.34
Gore District ...	3,648	454	12.45
Grain Insur.	16,517	6,048	36.62
Gt. Am. Indem. .	12,679	13,289	104.81
Guardian Ins. ...	62,703	30,757	49.05
Halifax	30,000	9,939	33.13
Hartford Accid. .	29,047	12,451	42.87
Indemnity Insur..	57,238	13,063	22.82
Legal & General .	20,053	15,229	75.94
Liberty Mutual ..	1,579	114	7.22
Lloyds†	79,272	26,768	33.77
Lumbermen's M..	4,285	1,398	32.63
Maryland Cas. ..	42,199	26,324	62.38
Metropolitan Cas.	31,216	7,749	24.82
New Zealand ...	3,142	809	25.75
Northwest Cas. ..	6,467	2,241	34.65
Ocean Accident .	26,718	7,803	29.21
Pearl	28,844	13,042	45.22
Pilot†	3,257	269	8.26
Prudential Assur.	24,705	12,399	50.19
Queensland	2,272	1,050	46.21
Reliance	1,106	20	1.81
Royal Exchange .	24,676	10,581	42.88
Travelers Indem.	118,016	19,610	16.62
Union of Canton .	61,770	10,006	16.20
U. S. Guarantee .	1,667	235	14.10
Wawanesa	—2,953	1,511	....
Wellington	1,070	15	1.40
Zurich	20,237	5,926	29.28
Grand totals 1944†	1,752,566	614,111	35.04
Grand totals 1943	1,447,868	535,168	36.96

†Provincial licensed.

Montreal Stock Exchange and Montreal Curb Market report that as of the end of March the value of all securities listed totalled $7,330,608,034 against $7,568,414,135 at end of February and $6,977,930,724 at end of March, 1944. Value of stocks listed, excluding Government and industrial bonds, totalled $5,431,012,617 against $5,563,318,309 the month before and $4,689,880,440 the year before.

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THE WEEK'S QUOTATIONS

Quotations here listed are the official stock exchange prices for listed stocks, including curb market quotations. For unlisted stocks, quotations by unlisted dealers are given. The Financial Post cannot accept any responsibility for these quotations.

Montreal and Toronto
Week ending Monday close

Winnipeg and Vancouver
Week ending Saturday close

WEEK ENDING APRIL 30

Range 1945 High	Low	Div R'te $	Apr28 Y'ld %		Sales	Last Apr. 23	Week end. Apr. 30 H	L	Cl'se
3¼	2¼	*	...	Abitibi	3710	2¾	3	2¾	3
51¾	44	*	...	Do. pref. 6%	1775	46	47½	45¾	47½
159	140	*	...	Do. pref. 7%	30	146	147	147	147
22	20	1	4.8	Agnew Surp.	25	21	21	21	21
114½	113	7	6.1	Do. pref.	840	114	113	112½	113
19	14	...	...	Algoma Steel	252	15½	16	14	16
100	97	5	5.1	Do. pref.	55	98½	99½	99	99½

Range 1945 High	Low	Div R'te $	Apr28 Y'ld %		Sales	Last Apr. 23	Week end. Apr. 30 H	L	Cl'se
12	10½	...	...	Gatineau Pwr.	320	11½	12	11½	11½
100	97	5	5.1	Do. pref.	30	98	98	98	98
105	102	5.50	5.4	Do. 5½% pref.	160	102½	102½	102	102
17¾	15	†.50	...	Gen. St. Wares	1120	15¾	16½	15¾	16½
105	101¾	5	4.7	Do. pref.	36	104	105	104	105
97	90	2.50	2.6	Goodyear Tires	75	96¾	97	97	97
57	53½	2.50	4.9	Do. pref.	75	54½	55	54	55
6¼	4	...	...	G Lakes P V tc	125	4	4½	4½	4½
29½	23	...	...	Do. Vot. tr. p	340	23	26	25	25

Range 1945 High	Low	Div R'te $	Apr28 Y'ld %		Sales	Last Apr. 23	Week end. Apr. 30 H	L
100	97¾	5	5	Viau Bisc. pref	15	97¾	100	100
59½	56	4	6.9	Wabasso Cot.	35	58½	58	[illegible]
79½	69	4	5.7	Walker-Good.	1356	78	79½	[illegible]
22¼	21¼	1	5.7	Do. pref.	635	21¼	21¼	[illegible]
18¾	14	†1.00	...	West Steel	25	16	18	[illegible]
20	18	.80	4.2	Weston, George	325	19	19	[illegible]
101	99	4.50	4.4	Do. pref.	20	100¾	101	[illegible]
30	19¾	1.00	4.8	Wilsils	875	20½	20½	[illegible]
8	6	...	...	Winnipeg El. A.	910	6½	7	[illegible]
83	68½	5	6.2	Do. pref.	273	80	80	[illegible]

Mining Stocks
Week Ending April 30

Range 1945 High	Low	Div. Rate	Apr. 28 Yield %	Company	Sales	Last April 23	Week Ending April 30 High	Low	Close
3.95	2.34	...	...	Labrador	7,450	3.25	3.95	3.00	3.20
1.60	1.05	†.02	...	Lake Dufault	7,410	1.27	1.20	1.15	1.18
24.75	16.85	.80	3.7	Lake Shore	3,096	21.50	23.25	21.00	23.25
.24½	.13	...	...	L. Fortune	126,800	.20	.21	.18	.19½
8.25	6.15	†.10	...	Lamaque G.	320	8.00	8.00	8.00	8.00
.22	.09	...	...	Lapa Cad.	62,700	.20	.21	.18	.20
.10	.03½	...	...	Lebel Oro	40,200	.07	.09	.07	.08½
1.50	1.15	.08	5.8	Leitch Gold	11,500	1.33	1.40	1.30	1.30
.42	.35	...	...	Lexindix	85,700	.40	.45	.36	.37
1.60	1.23	▼.06	...	Little L.L.	6,700	1.35	1.39	1.35	1.35
2.09	.89	...	...	Louvicourt	48,400	1.68	1.80	1.55	1.60
4.40	3.85	†.03	...	Macassa	6,175	4.05	4.14	4.00	4.05

Range 1945 High	Low	Div. Rate	Yield %	Company	Sales	Last April 23	High	Low	Close
.19	.07½	...	...	Temisk'g.	15,000	.15	.19	.14½	.18
.88	.51	...	...	Thompson	7,100	.62	.62	.60	.60
3.05	.80	.04	1.9	Toburn Gold	6,440	2.10	2.25	2.10	2.15
.48	.24½	...	...	Towagmac	15,500	.39	.40	.37	.40
3.15	1.60	...	...	Trans. Res.	40,650	1.85	1.89	1.75	1.76
35.25	32.50	...	...	Uchi Bonds	1,000	34.00	34.00	34.00	34.00
2.60	1.85	†.02½	...	Upper Can.	20,600	2.00	2.05	1.98	2.02
16.50	11.00	.20	...	Ventures	4,127	14.65	14.50	13.75	14.15
5.10	4.60	†.20	...	Waite Am.	5,693	4.85	4.90	4.80	4.80
1.77	1.20	...	...	Wasa Lake	98,550	1.55	1.68	1.50	1.55
.04	.00½	...	...	Wellington	6,000	.03	.03½	.03½	.03½
1.63	1.07	...	...	West Mal.	9,300	1.10	1.20	1.07	1.07
.04½	.02½	...	...	Whitewater	7,000	.04	.03½	.03½	.03½
.41	.08	...	...	Wiltsey C.	219,950	.32	.37	.27	.30
4.60	3.30	†.10	...	Wright-Har.	16,670	4.00	4.40	3.90	4.15
.25	.03½	■.10	...	Ymir Girl	18,700	.19½	.21	.18	.18½

Oil Stocks

Range 1945 High	Low	Div. Rate	Yield %	Company	Sales	Last April 23	High	Low	Close
.14½	.07	...	...	Acme G.&O.	16,100	.12½	.13	.08	.10
.19	.10	...	...	Alta. P. Cons.	1,500	.14½	.15	.14½	.14½
2.15	1.25	...	...	Ajax	32,475	1.55	2.15	1.60	1.65
.09	.05½	...	...	Anaconda	5,000	.06½	.07½	.07	.07½
1.13	.70	▼.05	...	Anglo Can.	4,000	.95	.95	.85	.88
.73½	.45	...	...	Br. Dom.	30,750	.50	.50	.45	.45
2.15	1.70	.10	5.6	Calg. & Ed.	4,310	1.78	1.80	1.75	1.78
.30	.20	...	...	Calmont	9,500	.27	.26	.24	.25
.45	.38	...	...	Common P.	10,000	.40	.45	.38	.45
.40	.28	...	...	Dalhousie	2,136	.32	.39	.30	.30
.17	.12½	...	...	Davies Pete	3,000	.14	.14	.13	.14½
.26	.11	...	...	East Crest	78,200	.18	.17	.15	.15
1.58	1.29	...	...	Foothills	750	1.30	1.30	1.30	1.30
.14½	.10	...	...	High Sarcee	5,000	.11	.12	.10½	.12
4.30	3.05	.15	4.1	Home	2,208	3.70	3.70	†3.50	3.65
.16½	.03½	...	...	Homestead	410,150	.12	.16½	.11½	.16½
.09½	.08	...	...	McD. Segur	4,035	.09½	.09	.08½	.09½
.08½	.06	...	...	Mercury	7,000	.08	.08	.07½	.07½
.34	.17	...	...	Mid. Cont.	143,300	.26	.29½	.23	.22
.22	.17	■.02	...	Model	4,500	.18	.22	.20	.22
.20	.07	...	...	Nordon	2,900	.19½	.18	.18	.18
.60	.40	...	...	Okalta	3,400	.46	.50	.46	.46
.18	.10	...	...	Pacalta	30,098	.15	.15	.13	.15
.67½	.47	...	...	Pacific Oil	13,600	.61	.62	.58	.58
.62	.50	...	...	Pac. Pete.	9,880	.55	.62	.50	.62
22.50	19.25	1.00	5.0	Royalite	1,000	21.25	21.00	20.00	20.00
.09	.03	...	...	South End	36,500	.07½	.08	.07½	.09
.18	.11	...	...	Spooner	1,000	.14	.14	.14	.14
1.70	1.10	...	...	Texas Can.	500	1.30	1.25	1.25	1.25
.16½	.08½	...	...	Vanalta	500	.15	.14	.14	.14
.32	.12	...	...	Vermilata	523,070	.17	.32	.16½	.27
.25	.17	■.03	...	Vulcan	310	.25	.23	.21	.21

■Paid in 1943. ▼Paid in 1944. * N.Y. Funds. † Paid or payable in 1945. x Extra.

Volume of Stock Sales

	Montreal	Toronto	Vancouver
May 1	456,136	3,198,000	......
Apr. 30	693,500	3,969,000	......
Apr. 28	......	....	......
Apr. 27	490,100	3,486,000	186,810
Apr. 26	190,700	2,057,000	135,780
Apr. 25	296,400	2,737,000	114,760

STOCKS NOT TRADED THIS WEEK

	Div. rate $	Last sale	Apr. 30 Bid	Ask
Woods Mfg. pf.	*.50	30	30	33
Zellers pf. 6%	1.50	28½	27½	..

†Paid in 1944. *Paid or payable in 1945.

Mining Stocks

	Div.	Last sale	Bid	Ask
Brazil Gold	...	.03½	..	..
Camp Bird	...	.04	..	..
Cent. Manitoba	...	.07½	.07	.07½
Cryderman	...	.02½	.02	.02½
George Copper	...	.20	..	..
Giant Y'fe. A Rts.	...	.19	..	..
Grandora	...	.17	.15	..
Grandview	...	.16	.13½	.16
Great Falls M.	...	.03	.01½	..
Home Gold	...	.00½	..	..
Indian Mines	...	.02½	..	..
Int. Mining	...	4.75	..	..
Island Mountain	▲.05	1.35	1.30	1.40
Kerr Lake	...	.27	.31	..
Lingman Lake	...	.45	..	..
McGillivray C.	...	.23	..	.20
McVittie Graham	...	.23	..	..
Moffatt Hall	...	.08	..	..
Northern Empire	■.20	2.60	2.30	3.00
Proprietary	†.15	10.50	11.35	12.50
Silbak Prem.	†.01	.83	.75	..
St. Anthony	...	.06½	..	..
Sudbury Basin	...	4.35	..	..
Sunlock	...	.15	.15	..
Wendigo	...	.30	..	..
Winnipeg R. Tin	...	.01	.00½	.01½

Oil Stocks

	Div.	Last sale	Bid	Ask
Brown Oil	...	.11	..	..
Commoil	†.00½	.24	.24½	..
Grease Creek	...	.02½	.01	..
MacLeod	...	.14½	..	.15
Madison	...	.02	..	..
Mill City	...	.08½	.08	.08½
National Petrol.	...	.11	.10	.13
Oil Selections	...	.07	..	..
Royal Canadian	...	.04½	.04½	.04½
South West Pete.	...	.25	.20	..
Sunset	†.01	.07	.07	..
Texas Can.	...	1.30	1.25	1.30
Trans. Alta.	...	.12	..	..
United Oils	...	.09	.08½	.10

†Paid or payable in 1945. ▲Paid in 1944. ■Padi in 1943.

Municipal Bonds
May 1, 1945

	%	Due	Bid	Ask.	Yld. %
Halifax	3½	1965	102.00	104.00	3.22
Hamilton	5	1950	109.00	112.00	2.57
Montreal	3	1950	98.00	101.00	2.81
Ottawa	3	1953	101.25	103.75	2.50
Quebec	3	1964	97.00	100.00	3.00
Saint John	5	1950	107.00	110.00	3.15
†Toronto	4½	1955	123.25	126.25	1.64
†Vancouver	5	1970	130.00	133.00	3.51
Winnipeg	6	1950	111.00	114.00	3.16

†Payable Canada and New York.

Investment Trusts

	Bid	Asked
Affiliated Funds	4.94	5.41
Can. Int. Trust	4.50	5.25
Can. Invest. Fund	4.15	4.55
Can. Investors	7.00	7.75
Commonwealth Int.	3.25	3.57
Corporate Inv.	7.40	7.95
Trans-Canada (A)	11.65	...
Do. (B)	....	11.50

Corporation Bonds
(Supplied by Investment Dealers' Association of Canada)
May 1, 1945

Public Utility Issues:	Int. Rate %	Due	Bid	Ask.	Prev. Week Bid
▲Alg. Cen. H.B.R.	5	'59	64½	67½	65
†Assoc. Tel. & T.	5½	'55	110½	113½	111
B. C. Power	4½	'60	102	104	102½
B. C. Tel.	4½	'61	107	109½	107
†Calgary Pwr.	5	'60	112½	...	112½
Do.	5	'64	104½	107	104½
Gatineau Pr. A	3¾	'69	115	...	115½
▲Do., B	3¾	'69	104	106	104
Gt. Lakes Pwr.	4½	'56	103½	105	103
Do.	5	'57	102½	104½	103
*Int. Hydro-El.	6	'44	86	89	88
L. St. Law. Pr.	5	'55	102	...	102
Macln-Que. Pr.	4	'59	102½	104½	102½
Mtl. L. H. & Pr.	3½	'56	102	105	102
Do.	3½	'73	99½	102½	99½
Do.	3½	'63	101	103½	101
†Mtl. Tramways	5	'51	107	109½	107
†Do.	5	'55	99	101½	99
Nat. Lt. & Pwr.	4½	'61	97	100	97
N. S. Lt. Pr.	4	'57	102½	105	102½
Otta. L. H. & P.	4	'57	102	104½	102
Ottawa V. Pwr.	5	'59	102½	...	102½
†Power Corp.	4½	'59	115	117	114½
Quebec Pwr.	4	'62	103	106	103
*Sag. P. "A" x	4½	'66	115½	...	115½
▲Do., B	4½	'66	104	106½	104
St. Maurice Pr.	3¾	'70	100½	103	100½
Shaw. W. & Pr.	4	'61	103	106	103
†Do.	3½	'70	98	100½	98
Do.	4	'69	104	106½	104
Union Gas	4½	'50	101½	104	101½
†United Secs.	3	'52	97	...	97
†Wpg. El. Ser. A	5	'65	100	102	100
Do., B	5	'65	99	101	102½
Industrial and Realty Issues:					
†Abitibi P. & P.	5	'53	110	112½	114
Do., C.O.D.	5	'53	110	112½	114
Acadia Sugar	4½	'55	101	103	101
Do.	6	'54	102	104½	102
†Alta. Pa. Grain	6	'46	104	...	104
Algoma Steel	5	'48	102	104	102
Atlantic Sugar	4	'51	101½	...	101½
†B. C. Pulp & P.	6	'50	105	...	105
‡†Do.	7	'50	111	...	111
*Brown Co.	5	'59	105½	108	111
Burns & Co.	5	'53	101	...	104½
Canada Cement	4½	'51	102	104	102
Canada Electric	4½	'65	101	104	101
Can. Steamship	3¾	'57	97½	100½	97½
*Can. Int. Paper	6	'49	114	...	114
‡Can. Locomot.	6	'53	105	...	105
‡†Candn. Vickers	6	'47	101	103	101
C.P.R.	3½	'51	103½	105½	103
Do.	4	'49	105½	107½	105½
†Consol Paper	5½	'61	108	110½	108
Dom. Coal	4½	'52	101	103½	101
Dom. Scott. Inv.	4	'52	100	...	100
Dom. Stl. & C.	6½	'55	107½	110	107½
Dom. Woollens	5	'64	96	98½	95
†Donnacona Pap.	4½	'56	104	106	104
*Dryden Pap.	6	'49	106	...	106
Famous Players	4½	'51	102	104	102
†Federal Grain	6	'49	106	...	106
*Great L. Paper	5	'55	109½	111½	110
Gurney Fdry.	5½	'49	101	...	101
†Gypsum Lime	5½	'48	107	109	107
Ham. Cotton	3¾	'59	98½	101	98½
Inter-City Bak.	5½	'48	101	...	101
Indust. Accept.	4	'52	101	103	101
Ins. Ex. Bldg.	3	'51	67	70	67
*Inter. P. Nfld. (Bowater's P&P)	5	'68	111	...	111
*Inv. Bond & Sh.	5	'47	85	88	85
Lake St. J. P.	5½	'61	102½	105	102½
Do.	5	'61	97	...	97
Legare	6	'61	100	...	100
Maple L. M.	5½	'58	101	103	101
Man. Sugar	5	'60	104½	107½	104½
Massey-Harris	4½	'54	102	104	102
McColl-Fron.	4½	'49	102½	105	103

Supplementary Bond Quotations
Furnished by Investment Dealers Association
April 30, 1945

	Bid	Asked
Adel. Sheppard 7s/40	42½	45½
Albert-Bay 5%/50	68	71½
Alexandra Apts. 3%/55	69	..
‡Ancroft Place 4%/56	52	..
*Balfour Bldg. 3%/43	58	..
*Bay-Adelaide 6½%/47	30	..
*Bay-Cumberland 6½%/44	48	..
†Bloor St. George Rlty. 7%/46	62	..
Brand. Henderson 6%/56	101	..
Brantford Roofing 5%/59	99	..
Can. Machinery 6%/55	94	97
Can. Theatres 5%/61	89	..
†Clarendon Apts. 7%/46	39½	42½
†Clarendon Props. 7%/47	39½	42½
Connaught Hotel 4%/52	82	86
†Deer Park Manor 7%/40	50	..
Dom. Dairies 6%/57 1st mtge.	101½	..
Dom. Dairies 6%/57 g. mtge.	98½	101½
Dominion Square 4%/59	92	95
Ellis Park Apts. 4½%/45	71½	..
‡Fed. Foundries 5½%/50	96	..
Fed. Foundries 5½%/50 ex s.	84	..
General Brock Hotel 3%/54	67	70
‡Gleneagles Inv. 5%/44	75	..
Godfrey Realty 4%/52	83	85
Keefer Realty 5%/55	48	..
‡Lombard Realty 2½%/51	27	..
Loew's Montreal 4%/58	99	..
Lord Nelson Hotel 4%/47	76	79
Mayor Bldg. 3%/42	74	..
Metro'tan Bldg. 4½%/52 Inc.	74	..
Munic. Bankers (1931)	19	..
National Utilities 6%/48	93	..
Ogilvy Rlty. 5½%/51	85½	..
Ontario Bldg. 3½/43	50	53
Oshawa Bldg. 3-4%/53	71	75
Prince Edw. Hotel 4%/47	45	...
Richmond-Bay 6½%/47	103	105
*Richmond Bldg. 7%/47	21	..
*Royal Windsor Apts. 6½%	26	..
*St. Cath. St. Rlty. 3½%-4/57	81	..
†Trinity Bldg. 4%/52	13	16
200 St. Clair W. 4½%/58	72	..
†Wellington Bldg. 6½% Ser.	74	..
‡Windsor Court 3%/56	70	..
York St. Bldgs. 6%/43	91	95
*York Adelaide 7%/45	18	..

xPayable U. S. & Can. funds. *Issue carries arrears of interest. ‡With stock attached. †Currently paying on interest arrears.

Corporation Bonds Cont'd

McCormicks	4	'52	101	103	101
Do.	4½	'52	101	103	101
Mercury Mills	5	'59	100½	102½	100½
Mersey Paper	5	'57	100½	...	100½
†Do.	6	'49	100½	...	100½
*M. & O. Paper	5	'60	115	...	115
Moirs Ltd.	6	'53	100½	...	100½
‡Mtrl. Drydocks	6	'48	98	100½	97½
Montreal Apts.	4	'54	84	87	84
N. S. Stl. Coal	3½	'63	91	93½	91
Price Bros.	5	'57	103	105	103
*Prov. Paper	5½	'47	110½	...	110½
Reliance Grain	4½	'52	100½	...	100½
Silv. Dairies	6	'66	101	103½	101
Simpsons, Ltd.	3½	'60	101	104	100½
United Corp.	4	'58	100½	103	100½
United Gr. Grs.	4½	'58	101	104	101
†Western Grain	5	'63	87½	90½	87½

* Payable in Can. or U. S.
†Payable in Can., U. S. or U. K.
*Payable in U. S.
▲Payable in Canada only.
‡Traded without accrued interest.
▲Payable in Can. or U. K.

Government Bonds
(Supplied by Investment Dealers' Assoc. of Canada)
May 1, 1945

%	Due	Bid	Ask.
Victory Loans:			
3	June 1951	104¾	105¾
3	Mar. 1954	103½	104½
3	Nov. 1956	102	102¾
3	May 1957	101	101¾
3	Jan. 1959	100½	101
3	June 1960	99¾	100¾
3	Feb. 1962	99¾	100¾
2	Dec. 1946	100¾	101½
2½	Mar. 1948	101½	102
1½	May 1946	100½	101
1½	Nov. 1946	100½	101
1½	May 1947	100½	101
1½	Mar. 1948	100½	100¾
1½	Nov. 1948	100	100¾
Dom. of Canada Bonds			
3½	June 1949	101¾	102½
3½	Nov. 1951	104½	105
4	Oct. 1952	105¾	105¾
3½	Feb. 1952	105½	106
3	Oct. 1952	103¾	103¾
3	June 1955	102½	102½
4½	Nov. 1956	104½	104½
4½	Nov. 1957	106½	106¾
3	June 1958	100¾	101¾
4½	Nov. 1958	107¾	108½
4½	Nov. 1959	109¾	110
3½	June 1966	103	103¾
3	Perpetual	96¾	97¾
Dom. Guarant'd Bonds			
Can. Natl. Railways:			
3	Dec. 1950	100¾	101¾
3	Jan. 1959	99¾	100½
4½	Sept. 1951	125¾	...
4½	Feb. 1956	131	...
4½	July 1957	132½	...
3	Feb. 1953	102½	103
4¾	June 1955	132¾	...
5	Feb. 1954	116¾	118½
5	Oct. 1969	128½	...
5	Feb. 1970	128¾	...

%	Due	Bid	Ask.
Can. Natl. W. Ind. S.S.:			
5	Mar. 1955	128½	...
Grand Trunk Pacific Rly.:			
3	Jan. 1962	114	116
4	Jan. 1962	127½	129½
Provincial Govt. Bonds			
New Brunswick:			
4	Nov. 1947	110¾	112¾
3	Oct. 1951	98½	100½
3½	Aug. 1949	99¾	101¾
3½	June 1956	100¾	102¾
4½	Apr. 1961	124	127
5	Jan. 1960	127	129½
Nova Scotia:			
3	Jan. 1952	99½	101½
3½	June 1956	100¾	102¾
3½	Nov. 1950	102¾	104¾
4½	Sept. 1952	116	118½
4½	Nov. 1960	128	131
5	Mar. 1960	132	135
Ontario:			
2½	May 1945	99¾	100¾
3	Apr. 1948	100½	102
3	Nov. 1950	101½	103
3½	Nov. 1951	102½	104
3½	May 1955	102½	104
4	June 1962	126¾	128½
4½	June 1950	109½	110¾
4½	Jan. 1962	133	135
5	Oct. 1948	108½	110½
5	Dec. 1960	137½	140
5½	July 1946	103½	104¾
Ont. Hydro Commission:			
3	Aug. 1943	100½	102½
3½	Feb. 1953	102½	104
3½	Apr. 1947	102½	103¾
Prince Edward Island:			
4	Mar. 1954	103	105

%	Due	Bid	Ask.
Quebec:			
3	Nov. 1947	100	102
3½	Mar. 1948	101	102½
3½	Mar. 1959	102	103½
4	Nov. 1952	104	105½
3½	Feb. 1955	103	104½
4½	Aug. 1958	109½	111½
4½	Jan. 1963	114½	115¾
Alberta:			
4½	Oct. 1956	109	112
4	Dec. 1954	98	101
5	Oct. 1959	110	114
5½	Apr. 1952	111	115
6	Mar. 1947	101	105
British Columbia:			
4	Dec. 1957	121	123
4½	Jan. 1951	121½	123½
4½	Oct. 1953	122½	124½
5	Apr. 1954	126½	128½
6	Feb. 1947	104½	106½
Manitoba:			
4	Dec. 1957	118	120
4½	Dec. 1956	122½	124½
5	Dec. 1955	128½	130½
5½	Oct. 1955	116½	119½
6	Apr. 1947	103½	106½
Saskatchewan:			
4	Sept. 1954	87	89
4	Nov. 1960	86	88
4½	Oct. 1951	100	102
4½	Mar. 1960	98	101
5	Aug. 1956	91	94
5½	Oct. 1952	97	100
6	Mar. 1952	99	102

Unlisted Stocks
(Compiled from quotations provided by Kamm, Garland Co., Ltd., Kippen & Co. Inc., and Plaxton, McDonnell & Co.)
April 30, 1945

	Bid	Asked
Aikenhead Hardware Co.	75.00	80.00
Allens Kingston Units	70.00	....
Allens London Theatre pfd.	54.00	....
Allens St. Catharines units	60.00	....
Allens Toronto units	36.00	....
Anglo Can. Telephone A	9.50	10.50
Atlas Steels com.	35.00	37.00
Atlas Steels 1st pfd.	107.00	109.00
Beach Foundry pfd.	67.00	....
Brinton Peterboro Carpet	70.00	....
British American Assur.	54.00	....
Britsih Mortgage and Trust	140.00	....
B. C. Sugar	86.00	89.50
B. C. Telephone 1st pfd.	115.50	....
Brockville Trust Co. $50 par	50.00	....
Canada Machinery com.	8.50	9.50
Canada Tea pfd.	47.00	....
Canada Paving 1st pfd.	3.50	5.00
Cnadian Airways	3.50	4.50
Can. Co-op. Woolgrowers	8.00	10.00
Canadian Fire Insur.	82.00	....
Canadian Indemnity	180.00	....
Can. Investors Corp.	7.00	7.75
Canadian Motor Lamp A	8.50	9.50
Can. Western Lumber com.	1.55	1.85
Can. West. Nat. Gas com.	34.00	....
Can. West. Nat. Gas pfd.	106.00	....
Capital Trust Co. $100 par	47.00	....
Capital Wire Cloth com.	6.00	8.00
Capital Wire Cloth pfd.	21.50	....
Cawthra Apts. units	3.50	5.00
Chase, A. W., units	27.00	....
Colonial Realty com.	4.00	....
Colonial Steamships com.	77.00	82.00
Commercial Finance com.	8.00	....
Commercial Life 10% paid.	7.00	9.00
Commonwealth Inter. Corp.	3.24	3.56
Confederation Life Assoc.	130.00	140.00
Continental Life 20% pf.	32.00	35.00
Crown Life Ins. 100% paid	280.00	....
Debenture & Securities pfd.	95.00	....
Detroit Internat. Bridge	17.00	19.50
Dom. Can. Gen. Insurance	146.50	....
Dominion Life Assurance	170.00	....
Dover Industries Ltd.	7.50	8.75
Dunlop Tire pfd.	25.75	27.00
Eastern Steel Prod. pfd.	22.00	23.50
Edmonton Stock Yds. units	65.00	....
Empire Life Ins. 25% paid	15.00	17.50
Excelsior Life Ins. 40%	88.00	....
Federal Foundries & Steel Co., new com.	2.85	3.25
Foreign Power Sec. pfd.	13.50	16.00
Galt Brass com.	18.00	....
Goderich Elevator & Trans.	13.25	14.75
Great Lakes Power pfd.	114.00	116.00
Great West Life	320.00	....
Guardian Realty pfd.	27.00	....
Guelph and Ont. Svgs. $50	51.00	55.00
Gurney Foundry pfd.	2.25	3.00
Highland Dairy pfd.	55.00	....
Homewood Sanitarium	94.00	....
Hudsons Bay Ord.	13.00	....
Industrial Mort. Trust $50	42.00	....
Imperial Life	285.00	315.00
Ingram & Bell pfd.	92.00	....
Inter. Utilities $3.50 pfd.	57.00	61.00
Lambton Loan & Inv. $50	47.50	....
Loblaw Groc. Inc.	14.50	15.50
London & West. Trust $100	58.00	....
Manufacturers Life Ins.	250.00	265.00
Midland Loan & Svgs. $10	15.00	....
Moirs Limited pfd.	84.00	....
Monarch Life Assce. 20%	55.00	....
Monarch Mtge. units	2.25	3.00
Morrison Brass com.	3.00	3.75
Morrow Screw com.	16.00	....
Morrow Screw pfd.	101.00	....
National Drug & Chem. c.	4.75	6.00
National Hosiery pfd.	3.50	5.00
National Hosiery com.	2.75	4.50
National Life Assce. 25%	21.00	26.00
Neilson, Wm., com.	13.00	....
Neilson, Wm., pfd.	102.50	....
New Method Laundry units	93.00	....
North America Elev. 1st pf.	70.00	....
Ont. Tobacco Plant units	18.00	22.00
Paramount Kitchener units	54.00	....
Paramount Oshawa pfd.	85.00	....
Provincial Paper pfd.	107.50	109.00
Ritchie Cut Stone pfd.	1.50	....
Ruddy, E. L., pfd.	145.00	....
St. John Drydock pfd.	99.00	102.00
Sawyer Massey com.	1.10	1.75
Seiberling Rubber com.	5.00	....
Sincennes McNaughton T.	2.00	2.75
Sovereign Life Assce. 25%	26.00	30.00
Standard Fuel pfd.	91.50	96.50
Do., com.	2.00	....
Stedman Bros. pfd.	81.00	85.00
Sterling Trust	82.00	....
Strand Hamilton pfd.	72.00	....
Third Can. Gen. Inv.	3.25	4.00
Toronto Carpet pfd.	92.00	....
Toronto General Ins.	5.50	7.00
Trusts & Guarantee $100	68.50	72.00
United Farmers Co-op	3.00	4.00
United Steel A pfd.	25.75	27.00
Viceroy Mfg. pfd.	24.00	....
Victoria Trust & Svgs.	96.00	....
Waterloo Mfg. com.	6.00	7.00
Waterloo Trust & Svgs.	101.00	....
Wentworth Radio com.	3.00	....
Western Assurance com.	54.00	57.00
Western Assur. pfd.	41.00	....
Western Grain com.	....	.80
Western Grain pfd.	29.00	32.00
York Trading com.	5.50	....

Unlisted Mines
Approximate quotations, 4 p.m., May 1, subject to confirmation:

	Bid	Ask
Advance	.24	.27
Alba River (new)	.37	.40
Alcan	.10	.12
Aljo	.06	.07
Amal Kir	.24	.27
Ama Lar	1.23	1.27
Ang Rou	.95	1.00
Anna'que	.16	.18
Anoki	.11	.13
Apex Oil	.12	.14
Argonaut	.25	.28
Arntfield (old)	.07	.08
(new)	.35	.38
Audley	.10½	.12
Aurora Ye	.28	.31
Auterra	.08½	.09½
Bar Larder (new)	.06	.08
Bevcourt	1.05	1.13
Blondor	.21	.24
Blue Gras	.14	.16
Bravo	.15	.18
Brig R L	.09½	.11
Brock	.14	.16
Burley Po	.05½	.06½
Calder Bo	.18	.21
Camlaren	.17	.19
Camp RL	.91	.95
Carricona	.08	.10
Cen Mani	.07	.09
Cock R L	.05½	.06½
Columbier	.35	.38
Crow Pat	.45	.48
Con Chib	.34	.38
Derlak	.08	.10
De Santis (new)	.10	.12
Dickenson	.43	.46
Dom. Mal	.11	.13
Dona Pat	.06½	.07½
East Amp	.42	.45
Eastward	.28	.32
Electra	.15	.18
Erin Kirk	.10	.11
Goldora	.60	.65
Goodrock	.08	.10
Harp Mal	.12½	.14
Hayes Cd	.07½	.08½
Head RL	.19	.22
Highridge	.12	.14
Hoyle	.23	.26
Hugh Mal	.26	.28
Hugh P P	.25	.28
Kamlac	.52	.56
Kayrand	.40	.43
Kenda Pe	.65	.75
Kengour	.34	.37
Laguerre	.20	.23
Lk Expa	.27	.30
Lapaska	.32	.35
Lar-Add	.06	.08
Larder U	.06	.08
Lavalie	.28	.32
Legardo	.05	.07
Lynx	.58	.62
Magn Con	.40	.48
Manterre	.17	.20
Major Oil	.12	.15
Marbenor	.41	.44
Marquette	.06½	.07½
Mar-McNe	.20	.23
Mar Bird	.20	.22
Mary Ann	.12	.14
Marion R	.37	.40
Mat Con	.20	.25
Mate Yell	.26	.29
Metalore	.05	.07
Mic of Cn	.07	.10
Moffatt H (new)	.06	.08
Mohawk P	.06	.08
Murbell	.08½	.10
Murmac	.18	.20
Mylamaque (new)	.30	.33
McCu RL	.19	.22
McManus	.13	.15
Nat Mal	.44	.47
New Aug	.38	.43
Nib Yell	.31	.34
Nicholson	.10	.12
Nick Off	2.75	..
New Mal	.16	..
Norbeau	.65	.75
Norford	.14	.16
Norseman	.29	.32
Nortyne	.06	.08
Novelle P	.17	.20
Obalski	.14	.17
Obaska	.55	.60
Oklend	.08	.10
Olivet	.05½	.07
Opemiska	.18	.21
Orpit	.17	.19
Ortona	.35	.38
Parbec	.23	.26
Pascalis	.46	.49
Pelangio	.10	.12
Poona Go	.06½	.07½
Presdor	.07½	.08½
Privateer	.40	.43
Que Man	.55	.60
Rajah RL	.11	.14
Rambull	.07	.09
Rand Mal	.46	.49
Raym Tib	.14	.16
Rebair	.60	.64
Redwood	.08	.10
Regcourt	.63	[illegible]
Rich Grp	.50	.54
Ritoria	.11	.13
S.A.G.A.	1.00	1.10
Santiago	.38	.41
Sheldon	.30	.33
Skyn Lk	.05	.06
Stadacona	.82	.87
Sun Bear	.16	.18
Tiffany	.14	.17
Tobico	.04	.05
Tombill	.21	.23
Tovarich	.03½	.04½
Un Min	.25	.30
Virginia	.53	.57
Wesley	.05	.08
West R L	.20	.22
West Shor	.08	.09
Wilwood	.13½	.15
Wincheste	.10	.13
Wingait	.32	.35
Yellowrex	.48	.52
Y Davids	.30	.33

Significant Investors' Index Numbers

	Mach. and equip.	Pulp and paper	Milling	Oils	Textiles and clothing	Food and allied prod.	Beverages	Bldg. mater.	Power and traction	Banks	Total utilities	Total co's.
No. of Securities	10	7	4	4	10	13	8	16	14	8	18	100
(Base 1935 39=100)												
*1935 to date:												
High	134.5	234.5	149.7	123.7	136.9	118.3	203.8	153.4	146.8	118.2	145.0	134.1
Low	69.7	51.6	61.2	41.2	78.4	73.5	79.3	68.7	60.2	69.0	65.2	61.1
1945: Monthly Figures												
Jan.	120.7	149.8	108.7	74.8	135.5	105.8	175.5	102.4	99.3	90.0	107.7	89.4
Feb.	122.8	154.0	108.4	77.9	136.2	106.8	184.9	103.0	100.9	89.5	111.6	92.9
Mar.	123.1	152.4	102.4	79.1	136.3	106.2	182.0	102.6	100.7	90.0	110.4	93.2
1945: Weekly Figures:												
Apr. 5	122.2	145.5	101.8	76.8	135.3	106.0	180.6	102.7	100.6	86.4	110.2	91.8
Apr. 12	123.1	149.4	106.2	77.3	135.7	107.3	185.1	103.8	101.1	90.0	110.7	93.2
Apr. 19	123.5	147.7	107.4	78.5	136.3	108.1	198.6	103.9	101.5	90.3	112.1	95.1
Apr. 26	122.5	147.2	108.2	77.8	137.2	107.0	203.8	106.2	102.4	89.9	114.9	95.3

*High and low for years from 1935 to date inclusive are based on weekly figures issued by Dominion Bureau of Statistics.

Toronto Stock Exchange Index

	20 Indust.	20 Golds	10 B.M.	15 W.O.
May 1	140.83	121.08	79.67	28.83
Apr. 30	140.96	119.91	79.68	28.51
Apr. 28	.....	.....	.....	.....
Apr. 27	140.64	118.78	79.77	28.23
Apr. 26	139.85	118.54	79.56	28.32
Apr. 25	140.38	118.71	80.19	28.55
Month ago	135.52	115.28	76.07	28.30
Year ago	116.91	101.70	68.75	28.04
High 1945	140.96	122.39	81.14	30.38
Low 1945	131.95	107.98	72.49	26.35

Montreal Stock Exchange Average

	10 Util.	20 Ind.	30 Chd.	10 Pprs.	15 Golds
May 1	61.9	94.1	83.4	186.80	92.84
Apr. 30	61.6	94.6	83.6	189.59	91.96
Apr. 28	...	...	...	.....	.....
Apr. 27	61.9	94.7	83.8	190.59	89.47
Apr. 26	61.8	94.6	83.7	190.98	88.36
Apr. 25	61.9	95.1	84.0	192.71	88.48
Month ago	60.4	93.3	82.4	190.70	86.49
Year ago	52.6	75.7	68.0	131.14	75.22
High 1945	61.9	97.3	85.3	202.49	92.84
Low 1945	58.8	92.5	81.3	178.99	76.13

Wheat Prices

Winnipeg Grain Futures
Week of May 1, 1945

Crop year from Aug. 1, 1944 High	Low		High for week	Low for week	Close May 1
Oats*					
.51½	.51½	May	.51½	.51½	.51½
Barley*					
.64¾	.64¾	May	.64¾	.64¾	.64¾
Rye					
1.51¼	1.10	May	1.50½	1.48	1.49¼
1.46¾	1.01⅝	July	1.46⅜	1.42½	1.43⅞
1.30⅜	1.04⅛	Oct.	1.29⅞	1.26⅝	1.27⅜

*At ceiling.

Cash Quotations
For Week

	May 1 High	Low	Prev. Week High	Low
Oats*				
2 C. W.	.51½	.51½	.51½	.51½
3 C. W.	.51½	.51½	.51½	.51½
Barley*				
1 Feed	.64¾	.64¾	.64¾	.64¾
2 Feed	.64¾	.64¾	.64¾	.64¾
Rye				
2 C. W.	1.49¾	1.48½	1.49½	1.45½

*At ceiling.

McColl Earnings Up For First Quarter

MONTREAL (Staff)—Earnings of McColl Frontenac Oil Co. during the first quarter of 1945 showed an increase over corresponding 1944 period, after allowing for the losses of the subsidiary in Trinidad, J. M. Pritchard, president stated at the company's annual meeting. Mr. Pritchard noted that, as a result of the adjustment in standard profit base of the company' earnings over the past four years, on Canadian operations, averaged over $1 a share annually on the common stock.

The Government of Trinidad has announced intention of allotment of marine rights in the near future, and such a move, it was stated, was expected to be of considerable value to the company. Exploration activities in western Canada are being continued.

Mr. Pritchard stated that McColl Frontenac could shift quickly to peacetime operations, as most of the equipment used in the manufacture of war products can be used in peacetime activities.

Commodities

	Latest week	Previous week	Same week last yr.
Cattle	$12.12	$11.83	$11.62
Hogs	17.45	17.45	17.20
Copper, lb.	*.12	.12	.12
Sugar, raw, lb.	*.0374	.0374	.0374
Coffee, lb.	*.09⅜	.09⅜	.09⅜
Hides	*.15½	.15½	.15½
Weekly Indices			
U. S. Labor	105.6	105.5	103.6
Dow Jones	96.96	96.20	97.20
Fishers	114.9	115.0	112.8
Monthly Indices			
Canada (D.B.S.):			
Retail (Jan.)	118.6	118.5	119.0
W'sale (Jan.)	102.8	102.5	102.5
U. S. (Feb.)	105.2	104.9	103.6
Gr. Brit. (Jan.)	167.2	167.2	164.0

Note—The base of indices is that 1926 equals 100. †Base 1935-39 equals 100. The British index is Board of Trade converted to 1930 base.

Base of price quotations is as follows: Cattle — Steers, good over 1,050 lb., top price, Toronto. Copper - electrolytic, New York. No. 7 coffee, Rio Sugar 96 degrees centrifugal c/f New York.

*Ceiling prices fixed by the office of Price Administration.

Dividends Declared

	This payment $	Date payable	Date of record
Agnew Surpass c.	.30	June 1	Apr. 30
Ang.-Can. Oil	.05	May 14	Apr. 28
Aluminium, c.	2.00	June 5	May 11
Do., 6% pr.	†1.50	June 1	May 4
Ang. Can. Tel.	.15	June 1	May 10
Atlas Steels, c.	.15	May 1	Apr. 16
Do., 7% pr.	1.75	May 15	Apr. 16
Aunor G. M.	.05	June 1	May 10
Bank of Montreal	.15	June 1	Apr. 30
Bank of Toronto	.25	June 1	May 15
Bathurst Pap.	.25	June 1	Apr. 30
Borden Co.	†.40	June 1	May 15
Brazilian Trac.	1.00	June 1	Apr. 13
Brewers & Dist.	.50&.10	May 21	Apr. 19
Bruck S. M.	.10	June 15	May 15
Calgary Pr. 6% p.	1.50	June 1	May 10
Can. Oil, c.	.25	May 15	May 1
Can. Baker. 5% p.	1.25	June 1	Apr. 30
Can. Brew., p.	.85	July 2	May 15
Can. Fairbanks	.25	June 1	May 15
C. Ind. Alc. A & B	.15	June 1	May 1
Can. Industries A & B	1.25	July 31	June 29
Do., 7% pref.	1.75	July 14	June 15
Can. Int. Inv. Tr.	1.00	June 1	May 1
Can. Marconi c.	.04	June 1	Apr. 16
Can. W. Boxes A.	.37½	July 3	June 11
Capital Est.	†.10	May 15	Apr. 26
Circle Bar Knit.	.15&.05	June 1	May 15
Cockshutt Plow, c.	.25	June 1	May 1
Do.	.25	Dec. 1	Nov. 2
Consumer's Glass	.50	May 21	Apr. 30
Confed. L. 30% pr.	1.50	June 30	June 25
Do.	1.50	Sept. 29	Sept. 25
Do.	1.50	Dec. 31	Dec. 24
Coniaurum Mines.	.04	Jun. 28	Jun. 5
Crown Cork	.50	May 15	Apr. 17
Cor. P. Box 7% p.	1.75	June 1	May 1
Corp. Investors A & B, c.	.17	May 15	Apr. 28
Cosmos Imperial	.30	May 15	Apr. 30
Crow's Nest Pass.	1.50	June 2	May 8
Detroit Int. Bridge	†.50	May 31	Apr. 23
Dom. Bridge	.30	May 25	Apr. 30
Dom. Malting	.20	Aug. 1	June 30
Dom. Engineer	2.00	May 11	Apr. 17
Dom. & Ang. Invest. 5% pr.	1.25	June 1	May 15
Dom. Malt. 5% p.	1.25	Aug. 1	June 30
Eastern Steel	.25	June 1	May 14
Federal Fire Ins. c.	1.50	Aug. 15	Aug. 11
Fleet Aircraft	.25	May 15	May 1
Gen. Steel Wares c.	.20	May 15	Apr. 17
Granby Cons.	†.15	June 1	May 15
Hallnor Mines	.05	June 1	May 10
Hamilton Cot. c.	.22½	Jun. 1	May 10
Holt, Renfrew 7% pf.	3.50+1.75	July 3	June 15
Home Oil	.15	May 15	Apr. 10
Imp. Tobacco	.10	June 30	May 15
Int. Utilities, c.	†.37½	June 1	May 15
Inv. Found. 6% pr.	.75	July 16	June 15
Island Mountain M.	.03	May 28	Apr. 27
Lamaque Gold c.	.05	June 1	Apr. 30
Laura Secord	.20	June 1	May 1
Leitch G. M.	.02	May 15	Apr. 16
Loblaw Groc. A & B	.25&.12½	June 1	May 1
Do., c.	†.20	June 1	May 15
Madsen Red Lake	.04	June 28	June 1
Robt. Mitchell	1.00	June 15	May 15
McIntyre-Porc. M.	.55½	June 1	May 1
Montreal Cottons	1.00	June 15	May 15
Do., 7% pref.	1.75	June 15	May 15
Nat. Biscuit, c.	†.30	July 14	June 8
Do., 7% p.	†1.75	May 31	May 11
Noranda Mines, c.	1.00	June 15	May 15
Ogilvie Flour Mills	.25	July 3	May 28
Do., 7% pref.	1.75	June 1	Apr. 26
Ont. Steel	.25	May 15	Apr. 15
Do., 7% pfd.	1.75	May 15	Apr. 15
Ottawa Car	.25	Oct. 1	Sept. 1
Ottawa L. H. & Pr.	.15	July 1	Apr. 25
Do., 5% pref.	1.25	July 1	Apr. 25
Penmans, c.	.75	May 15	Apr. 16
Power Corp. 1 pf.	•1.50	July 16	June 20
Do., 2nd pr.	•.75	July 16	June 20
Pressed Metals	†.25	June 1	May 1
Proprietary Mines c.	.05	May 3	Apr. 3
Quebec Power c.	.25	May 25	Apr. 19
Regent Knit Mills.	.40	June 1	May 1
Do.	.40	Sept. 1	Aug. 1
Do.	.40	Dec. 1	Nov. 1
Rolland Paper	.15	May 15	May 5
Do. 6% pr.	1.50	June 1	May 15
Royal Bank	.15	June 1	Apr. 30
Scythes & Co., new c.	.19	June 1	May 15
Shawinigan W. & P.	.22	May 25	Apr. 19
Sherritt Gordon	.02	June 28	May 23
Silknit Ltd. 5% pr.	50	May 15	Mar. 13
Simpsons 4½% pr.	1.12½	June 15	May 15
S. Am. Gold & Plat.	†.10	May 9	Apr. 25
South Can. Power	•.20	May 15	Apr. 20
Do.	•.20	Aug. 15	July 20
Do., 6% pr.	•1.50	July 16	June 20
Sylvanite G. M.	.03	July 3	Apr. 28
Teck-Hughes c.	.05	June 1	Apr. 30
Thrift St's 6½% p.	1.62½	May 15	May 1
Do., extra	3.25	May 15	May 1
Toburn Gold	.01	May 22	Apr. 20
United Corp. A	.37	May 15	Apr. 14
United Steel	•.75	May 11	Apr. 16
Waite Amulet M.	.20	June 11	May 10
Walker-Gooderham & W.	1.00	June 15	May 11
Do., pref.	.25	June 15	May 11
Wellington Fire c.	1.75	Aug. 15	Aug. 11
G. Weston. 4½% p.	1.12½	June 1	May 15

† N. Y. funds.

• Subject to approval of Foreign Exchange Control Board.

Bond Redemptions

Bond Issues:	Rate	Year	Due	Price
Burns & Co.	5%	....	July 1	101
†Can. North. Pwr.	5%	1953	May 1	101
Kingston Elevator	6%	1950	May 1	102
L'r St. Law. Pwr.	5%	1955	May 25	102½
Moirs Ltd.	6%	1953	July 1	Par
J. Morrison Brass	7½%	1947	July 1	50
Do.	7½%	1947	July 1	100
North. Utilities	4½%	1959	June 1	101
Rolph-Clark-Stone	4%	1951	May 1	101
Windsor Gas	5%	1966	May 1	100

†Can. & U. S. funds & English sterling.

Company Meetings

1945	Company	Place
May 5	Alfred Lambert	Montreal
May 5	Gunnar Gold Mines	Toronto
May 5	Inter. Bridge	Buffalo, N.Y.
May 7	Ajax Oil & Gas	Toronto
May 7	Aldermac Copper	Montreal
May 7	Francoeur Gold Mines	Montreal
May 7	Towagmac Exp.	Montreal
May 8	Matachewan Cons.	Toronto
May 9	Dom. Steel & Coal	Montreal
May 9	Inter Paper	New York
May 10	Dom. Woollens & Worst.	Toronto
May 14	God's Lake G.M.	Winnipeg
May 14	Wekusko Cons.	Winnipeg
May 24	Electrolux Corp.	Dover, Del.
May 30	Anglo Can. Oil	Calgary
May 31	Sherritt Gordon Mines	Toronto

DIVIDEND NOTICES

Belding-Corticelli Limited

Notice of Preferred Stock Dividend No. 122

A dividend of one and three-quarters per cent (1¾%) has been declared on the Preferred Stock of this Company, for quarter ending 31st May, 1945.

Notice of Common Stock Dividend No. 77

A dividend of one per cent (1%) has been declared on the Common Stock of this Company, for quarter ending 31st May, 1945.

The above dividends are payable on the 3rd day of July, 1945, to Shareholders of record at the close of business the 31st day of May, 1945.

By Order of the Board.

D. F. POLLOCK, Secretary.

DOMINION BRIDGE Company, Limited

DIVIDEND NOTICE

A Dividend of THIRTY CENTS (30c) per Share on the Outstanding No Par Value Shares of this Company has been declared for the Quarter ending 30th April, 1945, payable 25th May, 1945, to Shareholders of record at the close of business on the 30th April, 1945.

By Order of the Board,

F. W. EVENS, Secretary.

Montreal, Que., 24th April, 1945.

W. D. Beath & Son, Limited

DIVIDEND NOTICE

Notice is hereby given that the Company has declared a dividend of One Dollar ($1.00) per Class "A" Shares, on its issued and outstanding Class "A" Shares, payable on July 2nd, 1945, to shareholders of record as of the close of business on June 1st, 1945.

O. A. LEFRANCOIS, Secretary-Treasurer.

Toronto, April 30th, 1945.

DIVIDEND NOTICES

BANK OF MONTREAL

ESTABLISHED 1817

DIVIDEND NO. 328

NOTICE is hereby given that a DIVIDEND of FIFTEEN CENTS per share upon the paid up Capital Stock of this Institution has been declared for the current quarter, payable on and after FRIDAY, the FIRST day of JUNE next, to Shareholders of record at close of business on 30th April, 1945.

By Order of the Board.

B. C. GARDNER, General Manager.

Montreal, 17th April, 1945.

The Royal Bank of Canada

DIVIDEND No. 231

NOTICE is hereby given that a dividend of one and one-half per cent (fifteen cents per share) upon the paid-up capital stock of this bank has been declared for the current quarter and will be payable at the bank and its branches on and after Friday, the first day of June next, to shareholders of record at the close of business on the 30th day of April, 1945.

By order of the Board.

S. G. DOBSON, General Manager.

Montreal, Que., April 10, 1945.

DIVIDEND NOTICE Canada Malting Co., Limited

NOTICE is hereby given that a quarterly dividend of Fifty Cents (50c) per share has been declared on the no par value stock of the Company. The above dividend is payable June 15, 1945, to Shareholders of record at the close of business on the 15th day of May, 1945.

Share Warrant Holders will present Coupon Serial No. 70 to the Royal Bank of Canada, MONTREAL, TORONTO, WINNIPEG and CALGARY, on or after June 15, 1945.

By order of the Board,

JOHN P. HEIGHTON, Secretary.

Dated at Toronto, April 27, 1945.

DIVIDEND NOTICE HIRAM WALKER-GOODERHAM & WORTS LIMITED

DIVIDEND NO. 108

A quarterly dividend of 25¢ a share has been declared on the outstanding no par value Cumulative Dividend Redeemable Preference Stock of this Company payable Friday, June 15, 1945 to shareholders of record at the close of business on Friday, May 11.

DIVIDEND NO. 109

A dividend of $1.00 a share has been declared on the outstanding no par value Common Stock of this Company payable Friday, June 15, 1945 to shareholders of record at the close of business on Friday, May 11.

By Order of the Board,

FLETCHER RUARK, Secretary.

Walkerville, Canada, April 6, 1945.

DIVIDEND NOTICE THE ROBERT MITCHELL CO. LIMITED

MITCHELL CANADA

Notice is hereby given that a dividend of One Dollar ($1.00) per share upon the outstanding Capital Stock of the Company has been declared payable on the 15th day of June, 1945, to shareholders of record on May 15th, 1945.

By Order of the Board,

H. S. McGEE, Secretary-Treasurer.

Montreal, P.Q., April 26th, 1945.

Canadian Wirebound Boxes Limited

DIVIDEND NOTICE

The Directors of the Company have declared a dividend of thirty-seven and one-half cents (37½c) a share on account of arrears on the class "A" shares of the Company, payable July 3rd, 1945, to holders of record the close of business June 11th, 1945.

By Order of the Board.

F. H. ELLIS, Secretary.

ALUMINIUM LIMITED

COMMON DIVIDEND

On April 26, 1945, a quarterly dividend of $2.00 was declared on the Common Shares of this Company payable in Canadian Funds June 5th, 1945, to shareholders of record at the close of business May 11th, 1945.

Montreal, April 26th, 1945 — J. A. DULLEA, Secretary

CANADIAN BREWERIES LIMITED

DIVIDEND NOTICE

NOTICE IS HEREBY GIVEN that a dividend of eighty-five cents (85c) per share on the Cumulative Sinking Fund Convertible Preference Shares without nominal or par value in the Capital Stock of the Company has been declared payable on the 2nd day of July, 1945, to Shareholders of record at the close of business on the 15th day of May, 1945.

By order of the Board.

W. C. BUTLER, Secretary.

Toronto, Ontario. April 25, 1945.

CANADIAN MALARTIC GOLD MINES LIMITED

DIVIDEND NO. 24

NOTICE IS HEREBY GIVEN that a dividend of 2 cents per share has been declared by the Directors of Canadian Malartic Gold Mines Limited, payable in Canadian funds on June 28th, 1945, to shareholders of record May 30th, 1945.

By Order of the Board.

H. WHITTINGHAM, Secretary-Treasurer.

April 30th, 1945.

COMPANY REPORTS

Tip Top Tailors

Net operating earnings and net profit for Tip Top Tailors Ltd. for 1944 were up appreciably over the corresponding figures for 1943. During the year a new $1 million issue of first mortgage serial 3¾% bonds to be dated Jan. 20, 1945, and to mature Jan. 20, 1946-59, was arranged. Proceeds were employed in the redemption in January, 1945, of the company's $983,800 par value of 7% cumulative redeemable preferred shares outstanding at $110 plus accrued dividends. During the year the premises at Boulevard Drive, Toronto, were purchased for $125,000.

CONS. INCOME ACCOUNT

Years Ended:	1944 Dec. 30	1944 Jan. 1
Net oper. earns.	$1,032,872	$903,509
Less: Deprec.	74,700	93,383
Conting. res.	21,274	75,000
Inc. tax res.*	760,000	625,000
Net profit	176,898	110,126
Less: Pref. divds.	68,866	68,866
Common divds.	36,000	36,000
Surp. for year	72,032	5,260
*Incl. ref. EPT	129,000	100,000
Earnings per Share and Dividend Record:		
Pref.: Excl. ref. EPT	$17.98	$11.19
Incl. ref. EPT	31.09	21.36
Paid	7.00	7.00
Com.: Excl. ref. EPT	0.90	0.34
Incl. ref. EPT	1.98	1.18
Paid	0.30	0.30
Working capital	1,908,181	1,989,217

London & Western

Earnings for London & Western Trusts Co. of $73,787 in 1944 show an increase of 25% over the previous year. This figure does not include special revenues such as payments on account of farm sale agreements. It is pointed out that $100,000 has been added to the general reserve.

	1944	1943
Liab. to public, etc.*	$3,090,678	$2,962,985
Shareholders' equity	1,667,428	1,580,692
*Secured by:		
Mtges. & sals. agree.	2,245,716	2,176,183
Office premises	188,172	199,695
Realty for sale	93,660	239,884
Other assets‡	2,230,558	1,927,915
Total	4,758,106	4,543,677
‡Includes bonds and stocks.		
Estates account	43,753,390	41,966,138
Earned per Share	$3.15	$2.57
Paid	2.00	2.00

Sherritt Gordon

No new ore was uncovered by Sherritt Gordon Mines in 1944 and tonnage milled during the year coupled with some 43,000 tons of ore in surface pillars being dropped accounted for the decline of approximately 623,000 tons in reserves. Considerable diamond drilling was completed on the easterly extension of the Bob Lake structure but nothing of economic importance was encountered.

The company reports that the Josephine property of Michipicoten Iron Mines, in which Sherritt Gordon holds a substantial interest, may be in production near the end of May. Delay was created through slow delivery of certain machinery.

INCOME ACCOUNT

Years Ended Dec. 31:	1944	1943
Copper sales, etc.	$3,991,436	$4,021,797
Add: Invent. incr.	*230,453	*14,151
Production value	3,760,983	4,007,646
Less: Oper. exps.	2,836,147	2,979,689
Net oper. earns.	924,836	1,027,957
Add: Other inc.	25,807	64,621
Oper. profit	950,643	1,092,578
Less: Def. dev. w/o	63,938	80,000
Depr. on pl't., etc.	314,942	379,060
Inc. tax res.	170,000	170,000
Res. loss. Sherr. Dev. Co.	......	......
Outside explor.	22,801	21,720
Add: Prof. on secs.	15,396	12,336
Net profit for year	122,208	
Less: Dividends	485,774	429,462
Surplus for year	293,722	352,466
*Decrease.	192,052	76,996
Earnings per share	$0.08	$0.07
Paid	0.05	0.06
Working capital	2,568,857	2,237,318

OPERATING STATISTICS

	1944	1943
Ore reserves, tons		
Zinc—East ore body	113,000	294,000
Copper	2,175,000	2,798,000
Tons milled	731,783	770,099
Recovery per ton	$5.45	$5.22

Anglo-Norwegian Holdings

Negotiations as regards hire of the various vessels of the subsidiary and associated companies of Anglo-Norwegian Holdings Ltd., in respect of the years 1940-44 are, it is hoped, nearing completion. When rates are fixed they may be expected to provide a reasonable profit in view of the substantial services rendered to the Allied cause, the report states. Owing to the uncertainty as to the fate of assets in Norway, it remains impossible to produce complete audited accounts for any of these subsidiary and associated companies.

INCOME ACCOUNT

Years Ended Dec. 31:	1944	1943
Net income	nil	nil
Less: Expenses	$11,536	$11,810
Taxes	100	100
Net loss and deficit	11,636	11,910
Earnings per Share and Dividend Record:		
Pref.: Earned	d$1.01	d$1.03
Paid	nil	nil
None earned or paid on common.		

International Holdings

The book cost of investments held by International Holdings Ltd. amounting to $12,555,203 as at Dec. 31, 1944. This includes the cost of certain securities which were held in territory previously occupied by the enemy. Successful conclusion of negotiations arising from a dispute concerning preferred shares of Northeastern Water & Electric Corp. which resulted in the sale of those shares at a profit of $636,916.

INCOME ACCOUNT

Years Ended Dec. 31:	1944	1943
Divds. & int.	$548,100	$635,705
Add: Portion of sale of Northwest. Electric.	52,032	......
Bank int., etc.	1,631	......
Less: Taxes & chgs.	58,974	67,648
Bank int., etc.	......	1,732
Other exps.	42,097	41,050
Net profit	500,692	525,275
Less: Divds. pd.	488,261	488,261
Surplus for year	12,431	37,014
Earnings per Share and Dividend Record:		
Common: Earned	$0.512	$0.537
Paid	0.50	0.50

Loblaw Groceterias

Stores operated by Loblaw Groceterias Inc. in 1945 remained the same as in the previous year—93 in the Buffalo division and 27 in the Syracuse division. Price ceiling and rationing involved a considerable amount of extra work and additional expense has been necessary to handle ration stamps under this program, president J. R. Peachey states.

INCOME ACCOUNT

Years Ended:	Feb. 24 1945	Feb. 26 1944
Net trading profit	$966,598	$705,392
Less: Deprec.	114,563	119,536
Inc. tax prov.‡	584,896	318,405
Net profit	267,139	267,451
Less: Dividends	281,194	278,794
Deficit for year	14,055	11,343
‡Incl. ref. EPT	41,940	15,746
*Note: Co's. report includes ref. EPT in net profit and surplus for year.		
Working capital	1,252,311	1,091,341
Earnings per Share and Dividend Record:		
Com.: Excl. rtf. EPT	$0.76	$0.77
Incl. ref. EPT	0.88	0.81
Paid	0.80	0.80

Commercial Life

Business in force $15 millions
New business issued higher
Premium income increases

Increases in all important items are shown by the Commercial Life Assurance Co. of Canada in its annual report for the year ended Dec. 31, 1944.

An expansion of $327,757 in total assets was mainly due to expansion of investments, especially holdings of Dominion Government bonds. Mortgage investments, real estate holdings and policy loans were all lower.

Payments under policy contracts included $68,514 to beneficiaries and $158,488 to living policyholders. Policyholders' surplus at the end of the year was $490,643 up $46,000.

	1944 $	1943 $
Business in force	15,003,305	13,356,407
Business issued	3,713,920	3,062,844
Prem. income	424,791	378,773
Inv. income	144,997	141,789
Total receipts	653,871	584,808
Pol. payments	227,002	279,184
Total assets	3,439,148	3,111,391
Dom. bonds	1,715,650	1,230,560
Other securities	1,055,922	1,141,279
Mortgages	142,071	181,082
Pol. loans	191,038	215,984
Pol. reserves	2,525,879	2,343,393

Halifax Insurance

Net premiums higher
Assets almost $7.5 millions
Fire loss ratio rises

An increase of $309,996 in net premiums written is shown in the 136th annual report of the Halifax Insurance Co. for the year ended Dec. 31, 1944. Of this increase, $199,493 arose in Canada. The larger writings, the report states, required a further addition of $253,206 to the unearned premium reserve which now stands at almost $2.3 millions. This addition to reserve and heavier fire losses resulted in a higher trade loss for the year. This was partly offset, however, by increased income from investments.

The reserve for unregistered reinsurance was increased by $219,589 to $518,796. This whole amount is owing to the company by reinsurers, but under a ruling by the Dominion Department of Insurance, must be carried in the statement as a reserve until it is actually collected. Eventually it is expected this amount will reach the company's treasury when it will be added to net surplus and added to policyholders reserve.

Total assets increased $289,376 to almost $7.5 millions, the assets showing a higher degree of liquidity.

During the year, the company management was changed and a more conservative underwriting policy adopted, the effect of which will probably be seen at the end of 1945. Important items from the report with comparisons follow.

	1944 $	1943 $
Net premiums	3,047,450	2,737,453
Inc. in prem. res.	253,206	105,864
Losses & expenses	3,270,038	2,833,765
Trade loss	475,795	201,976
Inv. income	363,763	301,076
Net loss	112,032	†99,101
Tr. from surplus	283,467	83,090
	171,435	182,191
Total assets	7,487,964	7,198,588
Securities	5,758,929	5,536,386
Cash	935,426	586,689
Agents' bal.	402,851	516,246
Res. unearned prems.	2,281,006	2,027,799
Res. non-regist. reins.	518,796	299,206
P'holders surplus	3,264,206	3,602,848
Loss ratio	60.46%	56.08%
Exp. ratio	43.11%	44.19%

†Gain.

DIVIDEND NOTICES

Banque Canadienne Nationale

QUARTERLY DIVIDEND

NOTICE is hereby given that a dividend of one and a half per cent (1½%) has been declared by the Directors of Banque Canadienne Nationale on the paid-up capital stock of the Bank for the quarter ending on the 31st day of May, 1945. This dividend, bearing the number 217, will be payable at the Main Office or at the branches of the Bank, on or after the 1st day of June, 1945, to the shareholders of record on May 15, at 3 p.m.

By order of the Board,

CHARLES ST-PIERRE, General Manager.

NORANDA MINES, LIMITED

DIVIDEND NOTICE

Notice is hereby given that an interim dividend of One Dollar ($1.00) per share, payable in Canadian funds, has been declared by the Directors of Noranda Mines Limited, payable June 15th, 1945, to shareholders of record at the close of business May 15th, 1945.

By order of the Board.

J. R. BRADFIELD, Secretary.

Toronto, April 27th, 1945.

MADSEN RED LAKE GOLD Mines Limited

(No Personal Liability)

Room 812, 67 Yonge St., Toronto

DIVIDEND NO. 10

NOTICE is hereby given that a dividend of 4 cents per share has been declared by the Directors of Madsen Red Lake Gold Mines Limited (No Personal Liability) payable in Canadian Funds on June 28th, 1945, to shareholders of record June 1st, 1945.

By Order of the Board,

M. MASTERSON, Secretary-Treasurer.

Toronto, April 27th, 1945.

IMPERIAL TOBACCO COMPANY OF CANADA, LIMITED

DIVIDEND

NOTICE is hereby given that an Interim Dividend (No. 163) of ten cents (10c) per share on the paid-up Ordinary Shares of the Company has been declared payable on Saturday, the 30th day of June, 1945, to shareholders of record at the close of business on Tuesday, the 15th day of May, 1945.

By Order of the Board.

A. L. ROBERTSON, Secretary.

Montreal, P.Q. 27th April, 1945.

Borden's

DIVIDEND No. 141

An interim dividend of forty cents (40¢) per share has been declared on the capital stock of *The Borden Company*, payable June 1, 1945, to stockholders of record at the close of business May 15, 1945.

E. L. NOETZEL, Treasurer

April 24, 1945

ANGLO-CANADIAN TELEPHONE COMPANY

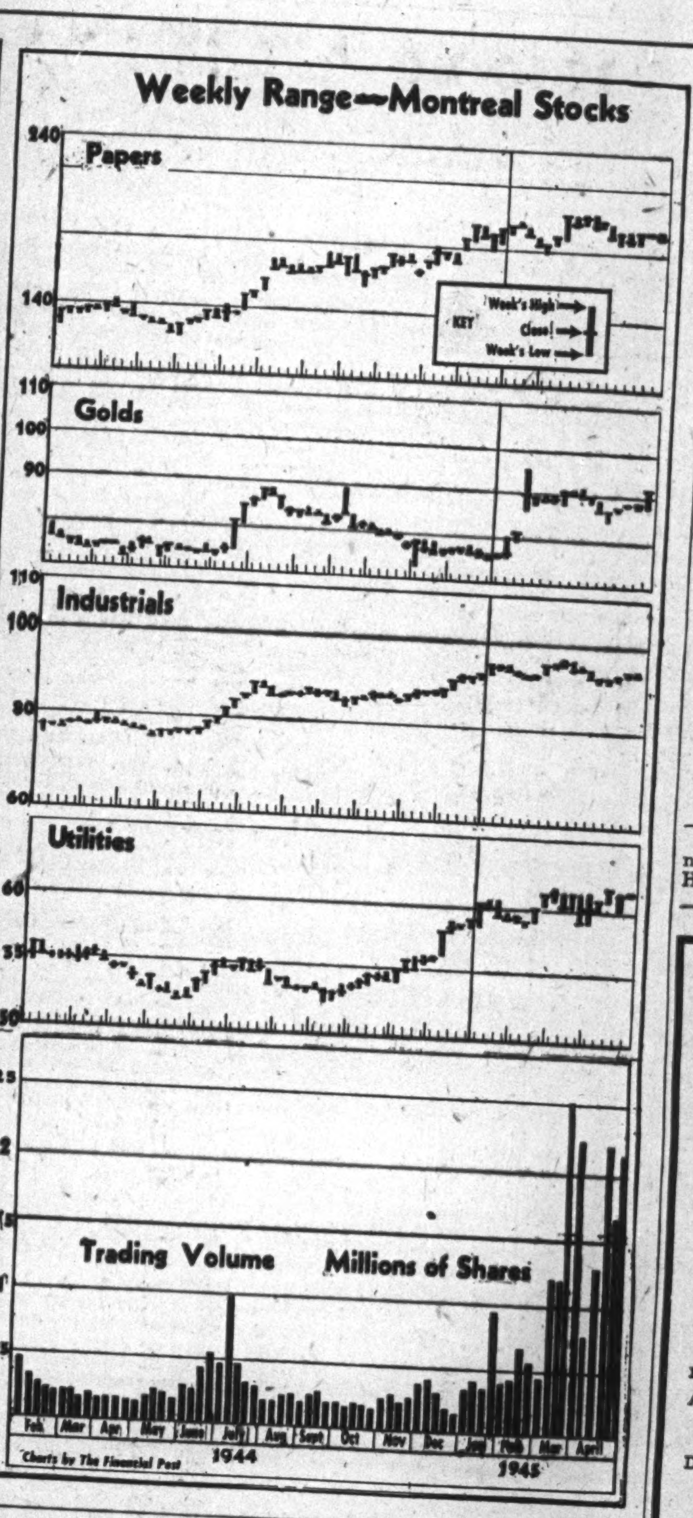
Class A Dividend

NOTICE is hereby given that a dividend of One and One-Half percent (1½%) has been declared on the Class A Stock of the Company, payable June 1, 1945, to Stockholders of record at the close of business on May 10, 1945.

By Order of the Board,

CAMERON HOUGH, Secretary.

Montreal, April 10, 1945.



Quemont Plans Large Program

Although a large amount of work is still required to prove the size and extent of a possible mine, shareholders of Quemont Mining Corp. were told by President J. H. C. Waite, that "from drilling results to date and the geological structure, we believe there is a very good possibility of developing a mine." It is estimated that it will take from 15 to 18 months to get a reasonable idea of the size of the ore bodies at or near the 900-ft. horizon.

Two holes are now being drilled to test the westerly extension of the ore zone west of No. 18 hole. These holes—Nos. 22 and 24, located 100 and 200 ft. west of No. 18—have both cut mineralization, but completion of the holes and assay results are not expected until later in the week. A mining plant and necessary equipment are being assembled to reopen old workings for testing by drilling, cross-cutting and drifting from the 900-ft. level. A drive some 1,200 ft. long to reach the intersection in Hole No. 18 from the end of the north cross-cut on the 900-ft. level will take until the end of the year, it is said.

The company reports ample funds on hand to complete the present program with no further financing contemplated until the size of the ore zone has been thoroughly investigated. L. K. Fletcher was elected a director replacing W. Harrison.

Fowler Named Head Of Two Paper Groups

MONTREAL (Staff)—R. M. Fowler, recently appointed president of Canadian Pulp & Paper Association, has been named chairman of the Joint Executive Board of the Newsprint Association of Canada and the Canadian Pulp & Paper Association, for the 1945-46 term.

Charles Vining, president of the Newsprint Association of Canada, was chairman of the joint board for the 1944-45 term.

Dome Mines Earnings Decline From Year Ago

Estimated net profit of Dome Mines was $507,800 or 26 cents a share in the three months ended March 31, 1945, as compared with 31 cents a share in the first quarter of 1944. Bullion output totalled $1,216,840 from 127,100 tons milled.

President Clifford W. Michel told shareholders at the annual meeting that net working capital of $9,437,000 at Dec. 31, 1944, represented the best position the company had attained in recent years. This is an increase of about 20% over the figure of a year before and is in part attributed to a change in investment holdings.

The company has incorporated Dome Exploration (Canada) Ltd. in order to consolidate outside exploration under the one company.

MARKET COMMENT

Industrials Up

The increasing certainty of a German unconditional surrender in the very near future has supplied fresh strength to American and Canadian stock exchanges throughout the past week. In New York, motors and other peace groups established 8-year peaks at the expense of rails and aircraft issues.

In Canada, the industrials, particularly the food, utility and steel groups, strengthened upwards. The mining pace continues fast with an ever-increasing number of issues coming in for market action. Drill hole and speculative stocks generally continue to exert a "golden spell" over market customers but the expected peace-accumulation in established mines has not yet developed to any marked degree

* * *

Barron's (New York) The Trader: Obviously, the market cannot go up day after day without interruption. Marginal operators are obliged to buy on bulges, which is to say, when new buying power is created in their accounts. Such buying, which is not done at the more advantageous times of occasional weakness, tends somewhat to impair the technical position. Psychology, now rampantly optimistic, is susceptible to change. But, whether or not a price correction materializes, there is nothing in the play of fundamental factors to suggest the imminence of broad or serious liquidation.

* * *

Barron's (New York) The Dow Theorist: With new highs reached by the Dow-Jones industrial and railroad averages last week, all trends under the Dow theory continue to be regarded as up.

* * *

New Highs and Lows

During the week ended Apr. 30 there were 33 new highs recorded among the "general" stocks traded on Canadian stock exchanges and 9 new lows for 1945 to date. In the mining group there were 36 new highs and 4 new lows registered in the week. Five new highs and no new lows were recorded by the oil stocks during the week.

GENERAL

New Highs—1945

Alum. of Can. pf.	Distill-Seagram
Aluminium	Dom. Bridge
Beatty Bros. "A"	Dom. Dairies
Do., "B"	Do., pref.
Do., 2nd pref.	Dom. Woollens
Bell Telephone	Indust. Accept. A
Can. Celanese	Int. Utilities, new
Can. Breweries pf.	Mont. Lt. & Pwr.
Can. Food Prod.	National Brew. pf.
Can. G. Inv. Trust	Norduyn Av.
Can. Int. I. Trust p.	Page Hersey
Can. Pacific	Penmans pref.
Can. Wire Box	St. Lawrence P. pf.
Coll. Terminal pf.	Silknit Ltd., new p.
Corr. P. Box pref.	Tip Top Tailors c.
Do., Right	Traders Fin. A Rts.
Club Aircraft	

New Lows—1945

Agnew Surpass pf.	Do., pref.
Algoma Steel	Robt. Mitchell
Bank of Montreal	Nat. Breweries
B. C. Power "A"	Thayers, c.
Can. Vickers	

MINING

New Highs—1945

Aquarius	Hosco
Armistice	Jason
Astoria Que.	Knee Lake
Aubelle	Labrador
Aumaque	McLellan G.
Atlas Y'fe.	Mentor Ex.
Beaufor	Paramaque
Belleterre	Porc. G. Reef
Bonetal	Powell R.
Buffalo Can.	Do., V.T.
Castle Tretheway	Preston East Dome
Century	Red Hawk
Coin Lake	Roche L.L.
East Sullivan	Sheep Creek
Elder	Sudbury Contact
Gold. Man.	Sullivan C.
Halcrow	Teck-Hughes
Hasaga	Temiskaming

New Lows—1945

Aldermac	Hard Rock
Croinor	West Malartic

OILS

New Highs—1945

Ajax	Pacific Pete.
Commonwealth	Vermilata
Homestead	

Winnipeg Electric directors at the annual meeting declared a dividend of 5% on the preferred stock. They said a 2½% dividend would be paid June 30 to shareholders of May 15 and a 2½% dividend Dec. 30 to shareholders of record Nov. 15.

To Holders of Warrants Representing Ownership of Ordinary Shares of Powell River Company Limited

As names and addresses of many holders of Share Warrants are not known to the Company, it is not possible to mail to them Annual Reports for year ended December 31st, 1944. Copies of these Reports, however, may be obtained from Wood, Gundy & Company Limited, managers of the Syndicate which offered the shares, or from any member of the Syndicate, or by writing direct to the Company's office, Standard Bank Building, Vancouver, B.C.

Powell River Company Limited

Firestone Tire & Rubber Co. announce a $1 million extension to the Hamilton plant. The move is aimed at meeting "the tremendous post-war backlog of civilian tire demand."

FINANCIAL STATEMENT AND DIRECTORS' REPORT

Western Grocers Limited

At the Annual General Meeting of the Shareholders of Western Grocers Limited, held at the Head Office of the Company, the Directors' Report, Balance Sheet, Statements of Profit and Surplus and the Auditors' Report for the year ended December 31st, 1944, were presented and adopted.

The following were elected directors: Messrs. W. P. Riley, I. Pitblado, A. E. Hoskin, F. W. St. Lawrence, A. McCallum, W. J. Johnston, C. H. A. Armstrong. At a meeting of the Board following the Shareholders' Meeting, the President, W. P. Riley; the Vice-President, I. Pitblado; and the other officers were re-elected.

REPORT TO SHAREHOLDERS FOR THE YEAR 1944

Herein your Directors present the Thirty-second Annual Report covering the fiscal year ended 31st December, 1944, together with a Balance Sheet showing the financial condition of the Company at the close of the year, a Statement of Earned Surplus and Profit, also the Auditors' Report.

STATEMENT OF PROFIT FOR YEAR ENDED 31ST DECEMBER, 1944, AND OF EARNED SURPLUS ACCOUNT

Profit for the Year before taking into account the undermentioned items		$ 767,463.93
Additions:		
Dividends from Subsidiary Companies		127,971.50
		$ 895,435.43
Deductions:		
Depreciation	$ 27,650.13	
Directors' Fees	2,666.68	
Executive Officers' Remuneration	119,200.00	
Legal Fees	2,246.05	
Merchandise Inventory Reserve	10,000.00	
Provision for Income and Excess Profits Taxes	388,000.00	549,762.86
Net Profit for Year transferred to Earned Surplus		$ 345,672.57
Earned Surplus at 31st December, 1943	1,450,586.63	
Add Net Adjustments to Profits of Prior Years	27,828.00	1,478,414.63
		$1,824,087.20
Deduct Dividends:		
Preference Shares: Four at 1¾%, being 7% per annum to 31st December, 1944	$ 83,601.00	
Common Shares: Four at 75 cents per share and one (extra) at $2.00 per share	84,715.00	168,316.00
Earned Surplus at 31st December, 1944		$1,655,771.20

As a voluntary contribution to the national economy, it is the policy of your Company to carry on business at the lowest possible margin. Partly as result of that policy, trading experience for the year exhibited a substantial reduction in the percentage of gross profit realized.

Such reduction was, however, more than offset by a large increase in sales, and the eventual outcome, despite greater provision for taxation, showed an improvement in the final net profit transferred to Earned Surplus, compared with the preceding period.

As customary, inventories were taken on the basis of cost or market, whichever was the lower, and while the stock-in-trade was higher in dollars than at the end of 1943, nevertheless the investment in merchandise is low in relation to turnover.

Not only were sales at an all-time high in the history of the Company, but the total of the customers' accounts receivable was also at a new low record; that is to say, having regard to the number of days' business which such sum represents.

Dominion Fruit Limited, H. H. Cooper Limited, The W. H. Malkin Company Limited, Gateway Grocers Limited, your Company's subsidiaries, each earned net profits, and in general the trading experience of each was much the same as that of the parent Company.

The net profits of these subsidiaries are not brought into the accounts herein presented, and are not reflected therein in any way other than by the dividends actually received by your Company during the year.

During the year, Messrs. R. C. Riley, H. C. McWilliams and F. O. Fowler resigned as directors. The vacancies thus caused were filled, as they arose, by the election of Mr. A. E. Hoskin, K.C., of the legal firm of Pitblado, Hoskin, Grundy, Bennest & Drummond Hay; Mr. F. W. St. Lawrence, President, George Weston Limited, and Mr. A. McCallum, Vice-President, Dominion Fruit Limited.

Submitted by order of the Board.

W. P. RILEY, President.

BALANCE SHEET AS AT 31ST DECEMBER, 1944

ASSETS

Current Assets			$3,917,889.91
Cash on Hand and in Banks	$ 54,809.26		
Dominion of Canada Bonds	200,000.00		
Customers' Accounts Receivable, after providing for possible losses	750,631.95		
Advances on Merchandise and Sundry Debtors	61,130.92		
Customs Deposits	5,550.00		
Merchandise—per Inventories—as determined and certified by the Management, on basis of cost or market, whichever was lower	2,845,767.78		
	$3,917,889.91		
Prepaid Expenses			6,653.30
Post War Refundable Portion of Excess Profits Taxes			78,000.00
Investments in and Advances to Subsidiary Companies			1,465,317.37
Investments—at cost	$1,449,087.35		
Advances	16,230.02		
	$1,465,317.37		
Other Investments			1,600.00
Fixed Assets			693,347.78
Real Estate and Buildings—at cost less depreciation and less amounts written off	$ 672,089.16		
Plant and Equipment—at cost less depreciation	21,258.62		
	$ 693,347.78		
			$6,162,808.56

LIABILITIES

Current Liabilities to Public			$1,595,717.51
Bank Loans—Secured		$ 258,633.22	
Accounts and Bills Payable		998,286.00	
Income and Excess Profits Taxes		301,268.89	
Dividends payable 15th January, 1945		33,607.50	
On Preferred Shares	$20,900.25		
On Common Shares	12,707.25		
	$33,607.50		
Unclaimed Dividends		3,921.90	
		$1,595,717.51	
Advances from Subsidiary Companies			416,157.11
Reserves			200,000.00
Reserve for Contingencies		$ 100,000.00	
Merchandise Inventory Reserve		100,000.00	
		$ 200,000.00	
Capital Stock			2,217,162.74
7% Cumulative Pref. Shares of $100.00 each—Participating and Non-Redeemable Authorized: 25,000 Shares — Issued 11,943 Shares		$1,194,300.00	
Common Shares of No Par Value—Authorized: 30,000 Shares — Issued 16,943 Shares		$1,022,862.74	
		$2,217,162.74	
Earned Surplus			1,655,771.20
Deferred Surplus—Refundable Portion of Excess Profits Tax			78,000.00
			$6,162,808.56

Approved on behalf of the Board.
W. P. RILEY, A. E. HOSKIN — Directors.

Contingent Liabilities Reported: Guarantee of a Subsidiary's bank indebtedness for a maximum amount of $200,000.00.

Auditors' Report to the Shareholders:

We have made an examination of the books and accounts of Western Grocers Limited, for the year ended 31st December, 1944, and have prepared therefrom the accompanying Balance Sheet. We have also examined the books and accounts of Dominion Fruit Limited, H. H. Cooper Limited, and Gateway Grocers Limited, subsidiary companies, and have inspected the financial statements of your subsidiary, The W. H. Malkin Company Limited, certified by their Auditor. In accordance with Section 114 of the Dominion Companies Act, we report that the accompanying Balance Sheet does not set forth the assets and liabilities of the subsidiary companies, and that the Statement of Profits does not include the operating profits of the subsidiary companies, except as to dividends actually received therefrom in 1944.

With this report, we are of the opinion that the Balance Sheet submitted herewith exhibits a true and correct view of the state of the Company's affairs, according to the best of our information and the explanations given us, and as shown by the books. We have obtained all information and explanations required by us.

(Signed) SHARP, WOODLEY & COMPANY, Chartered Accountants. Auditors.

HEAD OFFICE — WINNIPEG, MANITOBA

BRANCHES

Calgary, Edmonton and Lethbridge in Alberta
Moose Jaw, North Battleford, Prince Albert, Regina, Saskatoon, Weyburn and Yorkton in Saskatchewan
Brandon, Dauphin, Flin Flon, The Pas and Winnipeg in Manitoba
Fort Frances, Kenora and Port Arthur in Ontario

Porcupine-Beattie Break Featured By Heavy Staking in Quebec Area

From Our Own Correspondent

ROUYN—While the Rouyn area in recent weeks has been featured by new finds making stock market history, extensive claim staking and laying out of development plans for testing of the Porcupine-Beattie break extending through northern Rouyn is reported and this may be the next section to make the headlines.

Staking along this indicated Porcupine-Beattie break has been probably the outstanding feature of the great staking boom which has swept the Rouyn area the last two years.

The Mining Recorder, at Noranda, Quebec, who records claims staked up to the eastern limit of Bousquet twp., just this side of the Cadillac camp, declares that claim staking has now covered virtually the entire indicated Porcupine-Beattie break right from the Ontario boundary through Hebecourt, Duparquet, Dufresnoy, Clericy and Destor twps. Staking activity has also been noteworthy in the Ontario end of this Porcupine-Beattie "axis," especially in the Lightning River area where Frobisher plans drilling of six groups. But activity appears to be more marked in Quebec.

Staking Steps Up

In Hebecourt twp., Siscoe Gold Mines, Nipissing, Consolidated Smelters and Leitch have jointly acquired a large block of ground covering the break for a length of five miles and for a width of two miles.

In Duparquet twp., staking has stepped up appreciably since the recent intersection of high grade by Duquesne. Beattie has property west of its main mine, Wettering Gold Mines has started to drill, Clarry Gold Mines is reported working. Further work is mooted for Goldona. American Metals has taken over the old Angus ground in the Beattie sector and is reported planning work this year. There has been considerable staking in the area south of Beattie, where Redmond Quain, president of Senator-Rouyn has held claims for some years.

Staked 6,100 in 1944

Claim staking in the Rouyn division (which includes Mud Lake) reached an unprecedented wartime peak last year. No less than 6,100 claims were recorded during the period. On the basis of about 75% of claims staked being of 100 acres each and the balance of 40 acres area each, it is estimated that over half a million acres of ground was staked by prospectors in the Rouyn area alone last year. So far this year, 1,427 claims have been staked for an estimated area of slightly over 120,000 acres.

Claims staked in recent years, according to the records of the Noranda Recorder, are as follows:

1939	2,764
1940	1,780
1941	1,649
1942	1,199
1943	1,949
1944	6,100

Staking has been active in Mud Lake where it appears that there is a definite break through the area which may provide further mines than the Belleterre.

An increase in staking in the Chibougamau area has been noted recently and further action is expected in this area before long.

Most of the diamond drilling activity currently is in the Rouyn area proper—at properties such as Quemont, Eldona, Donalda, Wiltsey-Coghlan, Elder, Rouyn Merger, Hosco, Heva Cadillac, MacDonald Mines, etc.

But as soon as drills can be secured it appears that many further properties will get a real testing in outlying sectors. The Quebec drill boom has brought numerous drill rigs over from Ontario already and so great is the need for drill crews that there are reports of drillers receiving as much as $10 and $12 a day.

Senator May Drill New Deep Holes

From Our Own Correspondent

ROUYN—Two more deep holes are likely to be drilled by Senator-Rouyn in an effort to secure further data on the downward continuation of its ore body where a core section of 105.5 ft. ran better than $9, as reported in The Financial Post recently.

The holes may be drilled from the 1,375-ft. level, like the original hole, but as this would require drilling almost parallel with the strike of the ore and with a danger that the drill holes might wander from their desired path, it is possible that the holes will be put out from the 16th level.

With an indicated true width for the ore body of 58 ft. at the deepest place intersected, further drilling will be of particular interest. Bulges have been found in the ore body on upper levels but the greatest width found previously was 35 ft. and the ore body has averaged only about 15 ft. in width so far.

Considerable exploration for parallel zones is expected in the future. A parallel zone is already being explored at the 16th level with some "kicks" secured.

MINING CONCENTRATES

Aumaque Gold Mines advises that payment has been received covering an additional 258,250 shares under Oct. 5, 1943, option agreement with Harvey Marvin. Balance of agreement comprises an option on 689,994 shares. Issued capital is 2,310,006 shares.

* * *

Citralam Malartic Mines shares were listed on the Toronto Stock Exchange on April 27. Ticker abbreviation is CIT.

* * *

Courageous Gold Mines is commencing diamond drilling on its Louvicourt twp. property with work designed to cross-section the claims from north to south to pick up the south contact of the granodiorite which has made ore on the Bevcourt ground.

* * *

Duquesne Mining Co. reports that payment has been received covering 50,000 shares, comprising balance of shares under Nov. 30, 1944, option to Haut Mining & Development Co. Ltd. There are no further shares under option and issued capital is 4,775,449 shares.

* * *

Goldhawk Porcupine Mines shares were listed on the Toronto Stock Exchange on April 27. Ticker abbreviation is GH.

* * *

Goldora Mines announces that holes Nos. 32 and 33 are in course of drilling, 100 ft. west and 100 ft. east, respectively, of hole No. 30 which returned 12.4 ft. of $7 gold.

* * *

Heva Cadillac Gold Mines advises that payment has been received covering an additional 137,500 shares under Feb. 26, 1945, option agreement with Federal Trading & Agency Ltd. Balance of agreement comprises an option on 749,428 shares. Issued capital is 4,250,572 shares.

* * *

Joliet-Quebec Mines shares were listed on the Toronto Stock Exchange on April 25. Ticker abbreviation is JQ.

* * *

Lingman Lake Gold Mines advises that diamond drilling is getting under way on the property comprising some 18 claims in the Patricia area. A crew has been engaged in camp construction and initial surface work.

* * *

Lorie Rouyn Prospecting Synd. has acquired and plans to develop a group of claims in Rouyn twp., Que. An early start is expected to be made to explore the ground. J. I. Nixon is trustee.

* * *

Mitnor Gold Mines is reported to have signed a diamond drilling contract to test its property in the Neswabin sector of the Algoma district. The program is designed to test at depth three veins reported to have been located on surface and opened for length of more than 2,000 ft. in earlier exploration work.

* * *

Porcupine Peninsular Gold Mines shares were listed on the Toronto Stock Exchange on April 27. Ticker abbreviataion is PEN.

* * *

Rawn Iron Mines has been incorporated to develop 22 claims west of Steep Rock Lake. A drill has been purchased to test the property for iron possibilities. Directors comprise: A. Williams, president; D. Partelance, vice-president; J. Rawn, secretary-treasurer; O. Belisle and Thomas Rawn, directors.

* * *

Transcontinental Resources has advised the Toronto Stock Exchange that a block of 100,000 shares has been sold at $2.30 a share to Thomas Hislop, Toronto, payment for which has been received. Issued capital is 3,138,907 shares.

* * *

Valdina Gold Mines has announced the acquisition of a further 400 acres in the Cooper Lake district, Villebon twp., Que. The company also owns extensive acreage in the same area, as well as property in the Yellowknife. Plans are being formulated to test either the Bourlamaque or Yellowknife properties.

MINING CONCENTRATES

Armistice Gold Mines advises that directors have approved plans for shaft sinking as soon as restrictions are lifted. Equipment is being ordered to permit sinking to a minimum of 500 ft. The company reports in excess of $100,000 cash with further substantial finances arranged.

* * *

Aquarius Porcupine Gold Mines reports ordering a hoist and compressor for shaft sinking on property in the East Night Hawk Lake area as soon as restrictions are lifted. The company holds approximately 45 claims in Macklem and German twps., Porcupine area, where considerable surface work and diamond drilling has been completed.

* * *

Aubelle Mines advises that drill holes Nos. 66 and 79, inclusive, were confined to exploration of the No. 1 vein. The vein has now been tested over a range of 2,100 ft.

* * *

Bevcourt Gold Mines reports financial position as at March 31, 1945, of $51,400 as against no liabilities. A second diamond drill has been placed on the property to speed up development. Directors include Col. R. M. Courtney, president; S.B. Jowsey, vice-president; John G. Porteous and H. R. Drummond-Hay, directors. E. W. Mockridge is secretary.

* * *

Crowshore Patricia Gold Mines advises that holes will be spotted for the new diamond drilling campaign planned to intersect the high-grade "C" zone at depth, as well as the recently-discovered "H," "I" and "J" zones.

* * *

Colcourt Mines reports holding 800,000 shares of Regcourt Gold Mines, of which 300,000 shares are under option, 100,000 shares of Bevcourt Gold Mines and 760,000 shares of Norcourt Gold Mines, of which 190,000 shares are under option at 10 cents per share. Cash on hand was reported at $12,000 as against no liabilities. Shareholders approved the subdivision of capital stock on a 10 for 1 basis on the 3,500 shares outstanding.

* * *

Calder Bousquet Gold Mines reports finances being provided in order to resume diamond drilling on its property in Bousquet twp., Que. Drilling was carried out in 1941 when values were indicated in the sediments which adjoin the area now to be tested.

* * *

Electra Porcupine Gold Mines has commenced diamond drilling on the west group of claims in the East Night Hawk Lake sector, Porcupine area, where the initial hole has reached a depth of 300 ft. on its way to an objective of 700 to 900 ft.

* * *

Howe Sound Co. reports net income of $195,807, or 42 cents a share in the three months ended March 31, 1945, compared with $244,845, or 53 cents per share in the final three months of 1944. Gross value of metals sold totalled $2,261,581 in the first quarter of 1945 as against $2,324,975 in the final quarter of last year.

* * *

Jocor Mines advises that three holes have been drilled on the property under option to Consolidated Mining & Smelting. Some narrow quartz veins have been cut but no gold values encountered. The company has acquired a group of claims adjoining Bevcourt and Buffaddison in Louvicourt twp., Que. Cash on hand as at March 31, 1945, was in excess of $12,000 as against no liabilities. Directors include Col. R. M. Courtney, president; S. B. Jowsey, vice-president, and John G. Porteous, director. E. W. Mockridge is secretary.

* * *

Kerr-Addison Gold Mines reports estimated net profit of $240,809, or 5.1 cents per share in the three months ended March 31, 1945, as compared with estimated net profit of $265,458, or 5.6 cents per share in the final quarter of 1944. Bullion output in the first three months of 1945 was $755,990 from 103,290 tons treated, an average recovery of $7.32 gold per ton, as against $821,636 from 112,768 tons milled, an average of $7.29 in the last three months of 1944. In the first three months of 1945 broken ore reserves increased by 14,933 tons.

* * *

Louvre Gold Mines announces the election of S. B. Jowsey as president, John G. Porteous as vice-president and Albert Boyer as secretary-treasurer. The company holds six claims in Louvicourt twp., Que.

* * *

Madsen Red Lake Gold Mines has declared a dividend of 4 cents a share, payable June 28 to shareholders of record June 1.

* * *

Wekusko Consolidated reports that results of diamond drilling of the Herb Lake property have justified an intensive campaign of underground work. Plans have been approved to purchase a mining and sinking plant and to carry on underground development when necessary priorities have been obtained. A shaft was previously sunk on the Rainbow-Ferro group to 160 ft. and 503 ft. of lateral work was done. During 1944 the company owned or had an interest in 301 mineral claims. Current assets as at Dec. 31, 1944, totalled $7,933 as against current liabilities of $2,500.

* * *

Osisko Lake Mines reports consolidated expenditures of $748 in 1944. Current assets as at Dec. 31, 1944, amounted to $176 as against current liabilities of $4,608. The property remained dormant in 1944.

* * *

Preston East Dome Mines reports bullion production of $571,455 from 56,433 tons milled, an average recovery of $10.13 gold per ton in the three months ended March 31, 1945, compared with $562,542 from 67,560 tons milled, an average of $8.33 in the first quarter 1944. Operating profit, before providing for depreciation, taxes and other write-offs, was $161,721 as against $195,819 in the three months ended March 31, 1944.

* * *

Regcourt Gold Mines reports planning a vigorous diamond drilling program with a view to expanding results already secured in earlier work. Cash on hand at March 31, 1945, was reported at $79,400 as against current liabilities of $500. Approximately 880,000 shares are optioned at prices to net the treasury $1,180,000, if fully exercised. Directors include Col. R. M. Courtney, president; H. R. Drummond-Hay, vice-president; R. J. Jowsey, S. B. Jowsey and John G. Porteous, directors. E. W. Mockridge is secretary.

* * *

Wiltsey-Coghlan Mines. reports cutting a mineralized zone showing pyrites through seven drill holes spaced along a length of 2,700 ft. at a point some 2,000 ft. from the Eldona boundary. The zone has been consistently more than 150 ft. wide, it is reported. The company reports approximately $65,000 in the treasury.

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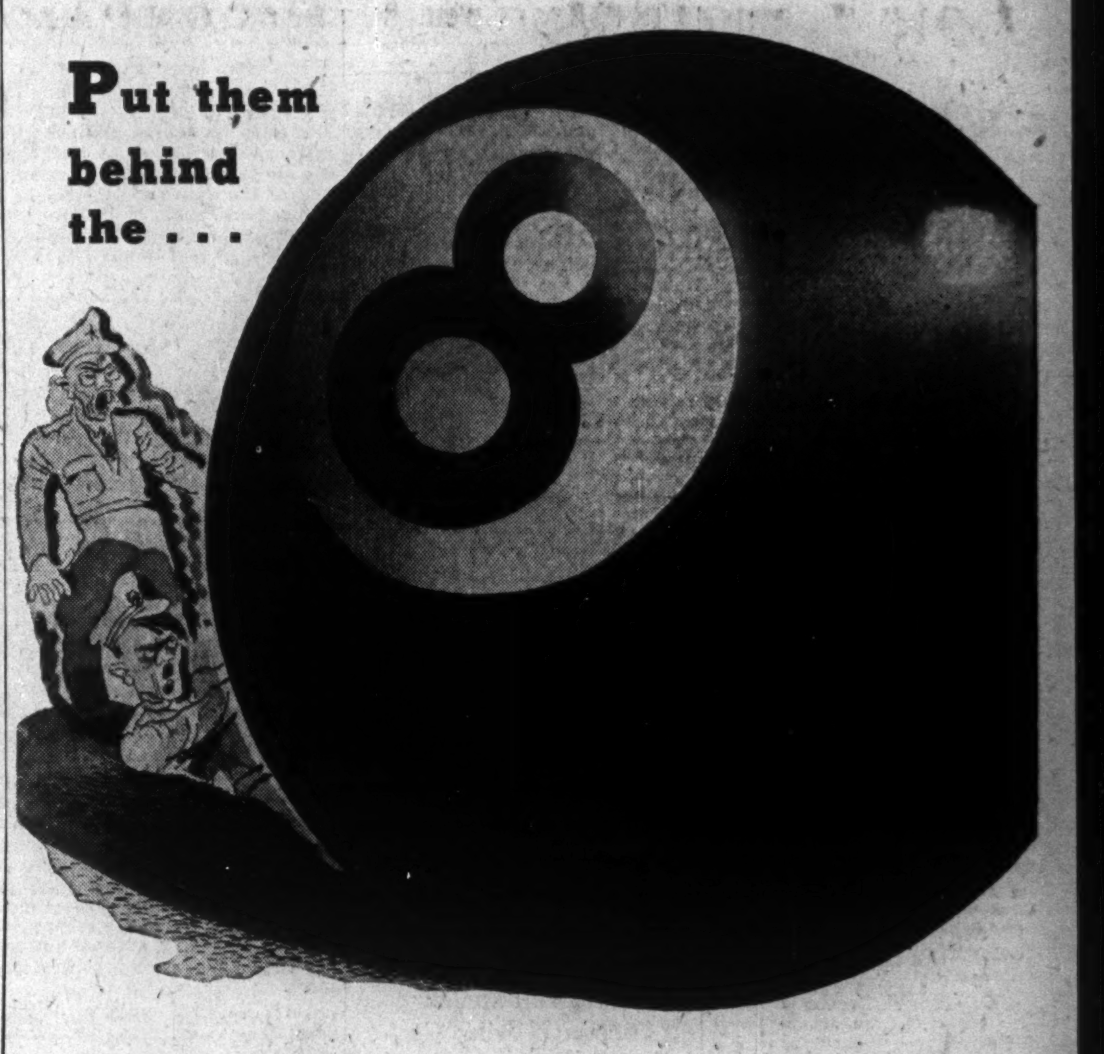

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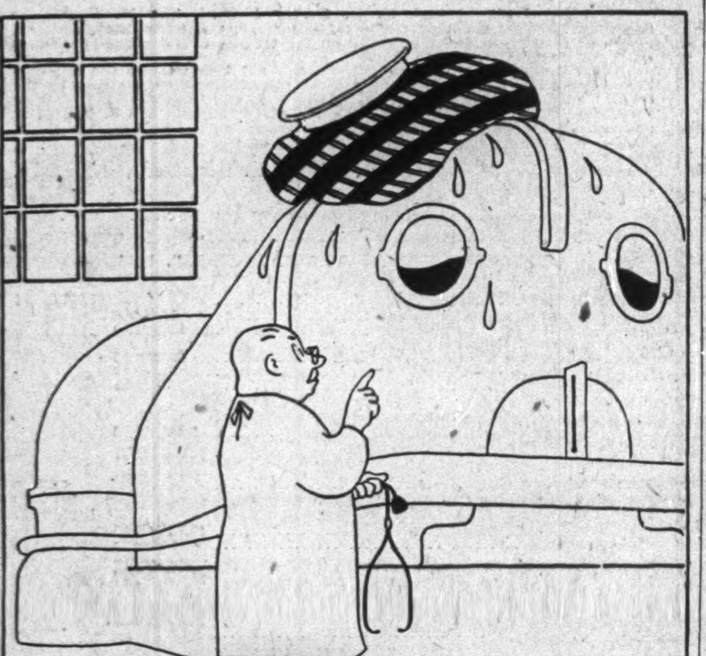

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806 THE BANK OF NOVA SCOTIA BLDG. MONTREAL

IMPORTANT

Because of a "rights" privilege which is about to be made to the shareholders of the companies listed below, it is important that all shares be registered in the name of the owner. Shares held in brokers names and street certificates should be presented to this office for registration.

Premier Trust Company
19 Richmond Street W.
Toronto
Transfer Agents

CITRALAM MALARTIC MINES LIMITED
HUGH MALARTIC MINES LIMITED
VINRAY MALARTIC MINES LIMITED
NORMAN MALARTIC MINES LIMITED
CLARNOR MALARTIC MINES LIMITED
COURAGEOUS GOLD MINES LIMITED
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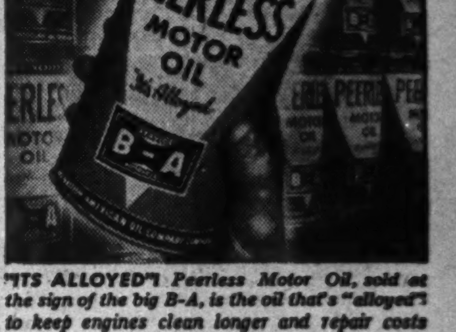

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THE BRITISH AMERICAN OIL COMPANY LIMITED

Low-Grade Ore in Established Gold Mines Said Profitable If Income Taxes Revised

By GORDON M. GRANT
Mining Editor, The Financial Post

KIRKLAND LAKE—If taxes on gold mines aren't eased, Canada—and Dominion Government coffers—may lose as much as the gold mining industry itself by failing to create conditions favorable for postwar recovery and expansion of a leading and basic industry.

This is the opinion voiced by managers of large gold producers in the Kirkland Lake and Larder Lake areas as expressed to The Financial Post in a special on-the-spot survey. It comes from men who, from necessity, have become their own "tax specialists."

Because mining taxation is primarily based on, and comes out of, profits, the tax gatherer—and many others—have been prone to assume that taxes by themselves don't bring falling off in production, don't prevent mines realizing their full growth, their full span of life.

But these mine managers, interviewed individually, emphasized to The Post that taxes, even though based on profits, can turn ore into waste rock, can prevent opening up of lower-profit ore bodies, can cause closure of mines earlier than would otherwise be necessary.

Present heavy taxation, it was explained, does two things:

(a) Prevents gold mines "gambling" on opening of large tonnage, low-grade ore bodies already indicated.

(b) Reduces incentive to search for new gold ore bodies outside the area of a mine's immediate workings.

Besides this, it was pointed out, by far the majority of newer undeveloped gold discoveries — Wasa Lake, Norbenite, Howe Sound, Louicourt Goldfield, Rouyn Merger, Hosco, Donalda, etc.—are either low grade or have only a narrow profit margin indicated so that bringing these properties into production, if otherwise feasible, may be hamstrung without tax adjustment.

Here's How it Happens

The general manager of one of Canada's greatest gold mines explained very simply how profit taxes prevent opening of large low-grade ore bodies at established mines—and how it could possibly be to the advantage of the Dominion not to tax low-profit ore bodies at all.

When diamond drills indicate an ore body, they don't give exact data on grade and dimensions, only approximations. If drilling indicates a possible profit of only 50c. a ton for a big marginal ore body, the management must then consider whether it is justified in making an expenditure "gamble" of say $100,000 or $250,000 to extend workings and prepare the body for mining, actual milling may show no profit at all, it is realized. But if taxes slice in two even the possibility of a 50c. a ton profit, then the ore body may definitely have to be passed by.

Collect Taxes Other Ways

If it had been possible to mill such an ore body, running say $4 a ton by remitting tax, then there would be an expenditure of many times the profit realized by the company in workers' salaries, supply purchases, etc., and through the personal income tax, sales tax, etc., authorities would probably net considerably more than the amount of tax foregone, it is suggested.

A real role is envisaged for the low-grade ore body in sustaining the national income after the war—if high taxes don't prevent it. A mine such as Kerr-Addison may have as much as an extra half million tons of $3 ore available for milling with any "break" on taxation.

By forestalling development of lower-grade ore bodies and shortening lives of various mines, however, taxes have had their most serious effect on gold mines. Mine managements apparently haven't been leaving behind the lower grade wall rock next to the rich parts of vein because of high taxes—as suggested in some quarters—but they have had to leave it behind because of higher operating costs. If mine wages go up from $6 a day (Larder Lake) to $7 or $8 a day, more ore will again be turned into waste rock. But if the burden of taxes could be lightened, the managers say, some of this lower-grade wall rock might be retained in the ore category.

"Depressed Industry"

In the midst of tremendous activity, production of gold has become a severely depressed industry.

It is only necessary to see Lake Shore working an eight-hour shift, other mines with development practically eliminated. Heavier taxes must be paid on smaller profits.

And even the end of the war will probably not bring an end of "depression." There will be more men, mine managers hope, but inflation of prices may mean still higher costs. An increase in the price of gold could help but such an increase can't be counted on.

Gold mine managers fear the EPT may remain after the war to skim excess profits arising out of inflated consumer demand. If it is left on—and if it isn't especially adjusted for golds—then golds may be prevented from making a rapid comeback.

Several mine managers emphasized their surprise that Canada, which has such a stake in gold mining, should show so little interest in improving the lot of the mining industry.

One Kirkland Lake manager recalled how the Australian Government had tided over an Australian gold mine during a difficult period by a bonus of $5 an ounce while he was there.

Another mine manager recalled how willing governments were to spend money to help mining in the early days of Cobalt and Porcupine.

A Larder Lake mine manager described mining as one of Canada's four basic industries, the others being agriculture, forestry and fishing. He quoted Dr. Hogg as stating that if these basic industries prosper, the other service industries can be expected to prosper too.

But this particular mine manager was at a loss to see how the gold mining end of the mining industry could prosper in the days ahead without something being done about taxes.

Would Increase Depletion

While some special tax concession might be made with respect to low-profit ore, this would involve extra work and accounting and most mine managers asked favored the Ontario Mining Association proposals for increased depletion allowances. The OMA asks an increase in company depletion allowances from 33 1/3% to 50% and in individual depletion allowances from 20% to 50%.

This would mean, in effect, that one half instead of one third of company mining profits would be in the tax-free category as a return of capital and half of shareholders' dividends would be tax free instead of a fifth.

Financing of underground exploration at a large number of new properties after the war will prove much easier, it is suggested, if taxes don't take close to half of any winnings to be secured.

Search For Oil In Nova Scotia

Increased interest in the potential petroleum resources of Nova Scotia was shown in 1944 with geological examinations carried out by a number of field parties on behalf of licensees in seven counties, the provincial Dept. of Mines states in its annual report. Drilling operations were carried out for several months at Mabou and drilling equipment was set up at Kennetcook late in the year.

Canadian Industrial Minerals reported a large increase in production of barytes, while extensive stripping of the barytes deposit was carried out to permit increased mining operations. A new washing plant and storage facilities for ore was erected at Walton, also improved storage facilities for the pulverized product and conveying equipment for loading steamers.

Production from mines showed a marked decrease, largely due to decrease in coal output. No new mines were developed. Coal production dropped 229,626 short tons to 5,815,180 short tons, which represented the lowest output since 1933. Production per man shift was 1.66 tons (2,000 lbs.), the lowest rate since 1900 and the lowest rate for which statistics are reported available by the province. Fatal accidents in coal mines amounted to 19 as compared with 38 in 1943.

Restrictions placed on issuance of licenses for gold prospecting at the request of the Metals Controller in 1942, were rescinded in 1944, but very little exploration and prospecting followed immediately.

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THE DEPARTMENT OF MINES
HALIFAX

L. D. CURRIE, Minister
A. E. CAMERON, Deputy Minister

Consol. Mining Profits Higher

MONTREAL (Staff)—Recent developments in the matter of mercury cells may result in maintenance of the price of mercury far above peacetime levels, with resultant enhancement to the value of the mercury properties of Consolidated Mining & Smelting Co. of Canada, S. G. Blaylock, chairman, stated at the company's annual meeting in his last address as president.

Although the mercury market has become very active, Consolidated Mining is unable to open its Pinchi Lake property, until a further supply of labor is available, it was stated.

The labor shortage during the first quarter of the present year, said Mr. Blaylock, has become even more critical than it was last year. However, output per man has increased, and there has been some impovement in costs.

Gross profits for the first quarter of 1945 was reported at $4,262,000 against $3,494,000 in the corresponding 1944 quarter. Fertilizer production for the 1945 quarter broke all previous records, averaging 980 tons a day against 895 tons daily in 1944. Refined lead and zinc tonnages for the first quarter averaged 409 and 395 per day respectively, compared with average of 394 and 335 for the year 1944.

"The lead demands of the world," Mr. Blaylock stated, "are greater than supply, with a consequent tendency for higher prices where the sales are not Government-controlled. Average prices realized recently for our lead have been well above the average price received last year. Indications are that price levels will remain high and the demand strong for some years, whether the war continues or not. Fertilizer demands and prices are also likely to continue very satisfactory, while the zinc position, although not as strong as lead, is fair. Reestablishment of our returning employees should therefore be comparatively simple."

It was reported that the power plant at Brilliant is now completed, though some work is still to be done in the river when labor is available, and a duplicate power line to Trail is to be installed. The plant now is developing full load.

Drilling By Duquesne Is On Own Property

Some confusion has arisen over the 14 westerly claims formerly owned by Duquesne Mining Co. and now owned by Pitt Mining Co. These claims were drilled in 1944 under an agreement calling for the formation of a new company to take over this group if results warranted. Subsequently Pitt Mining was formed and Duquesne Mining and Steeloy Mining Corp. each received 50% interest in Pitt. It is stated that no plans are under consideration for the formation of a new company in connection with the main Duquesne property where current diamond drilling is being conducted to extend the ore shoot originally uncovered on the 500-ft. level.

NEW OPTION ARRANGED

South End Petroleums has advised the Toronto Stock Exchange that the outstanding option on treasury shares, being the unexpired portion, has been terminated by consent and in lieu thereof a new option has been given to E. A. Martyn, Toronto, as follows: 50,000 shares at 8 cents a share until May 5; 50,000 shares at 8 cents until May 21; 30,000 shares at 9 cents until May 31 and 30,000 shares at 10 cents until May 31.

SOUTHWEST PETROLEUM

Income from operations of Southwest Petroleum Co. in 1944, after providing for operating, administrative and general expenses, was $126,966. Deducting other charges, including depletion, amortization of wells, depreciation of fixed assets and taxes, the net loss was $86,197. Current assets as at Dec. 31, 1944, amounted to $1,309 as against current liabilities of $9,805.

BUY AND HOLD VICTORY BONDS

OIL PRODUCTION

Pacific Pete No. 8 Well To Go On Steady Output

CALGARY—Pacific Pete No. 8, joint operation of Pacific Petroleums Ltd. and Royalite Oil Co., was rated this week as a "better than average" completion. The well, on the central west flank of Turner Valley in lsd 14 35-19-3w5th, completed at 8,479 ft., after penetrating a 103 ft. upper porous Madison lime zone from 8,372 to 8,475 ft. Cleared, the well made new oil with aid of booster gas at 1¼ bbls. hourly. Initial 1,000 gallons of acid were applied, booster gas-aided flow increasing to 5 bbls. hourly. Two thousand gallons of acid were then applied, and flow increased to 24 bbls. hourly, settling to 18 bbls. hourly, producing with input gas. Four thousand gallons of acid were then applied.

The well was kicked off, cleared, and eight hours after commencing making new oil, was running 35 bbls. hourly with aid of booster gas. A packer will be installed and well placed on steady production immediately. With gas-oil ratio estimated at only about 1,000 cu. ft. per bbl., the well is expected to rate somewhere between 350 and 500 bbls. daily.

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Borradaile's New Field

Borradaile Oils Ltd., active in the Vermilion field where it now has five producing oil wells, has entered another shallow central Alberta Plains field—Lloydminster. The company has staked its Borradaile No. 9 well in the centre of the southeast 10 acres of lsd 14 12-49-1w4th, on acreage secured from Lloyd Clinch.

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More Work in Conrad

The California-Standard Company has announced development plans for a third light rotary rig in the Conrad area, south Alberta Plains field now second most active (ranking next to Turner Valley) development in scene in western Canada. Location has been staked for Conrad-Province No. 51-5A well in the southeast 10 acres of lsd 3 5-6-15w4th, half a mile west of Standard's discovery Conrad-Province No. 2 producer, half a mile south of Conrad-Province No. 55-5A (which found the Ellis oil sand too light to yield commercially), and half a mile north and quarter of a mile east of Conrad-Province No. 75-32B (which reached a Madison lime high west of the Conrad Ellis sand oil pool, but found the Ellis absent). Contractor for the new well is Can-Tex Drilling Company, who is now installing the light rotary last used at the successful Conrad-Province No. 71-4A.

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Exploring Brazeau Dome

The Brazeau Dome, located about 4 miles south of the coal mining town of Nordegg (or Brazeau), was reported on in Geological Survey paper 44-18, by G. P. Crombie, in 1944. The reservation covering it was acquired by a Calgary group including Jack McLeod, Davies Petroleums, Fred Elves, R. M. Lindon and J. C. Milligan. Under the deal with South Brazeau, the group retains a 3% royalty, plus a substantial cash payment. Geological work on the Dome is being done for South Brazeau by Russell V. Johnson, who will stake a well-site shortly. Drilling will start in the Madison (Rundle) limestone, with Banff expected at 800 to 900 ft. and potential oil and gas zones in the Devonian lime by 2,000 ft. The Brazeau Dome will be the fifth structure to go under test in the general vicinity of Nordegg.

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Royalite-Lowery to Drill

A new important location for immediate drilling has been staked on the central west flank of Turner Valley. The well, Royalite-Lowery No. 3, will be drilled in the northeast quarter of lsd 4 11-20-3w5th, using the heavy duty rotary from Royalite-Lowery No. 2, now drilling in the Madison lime.

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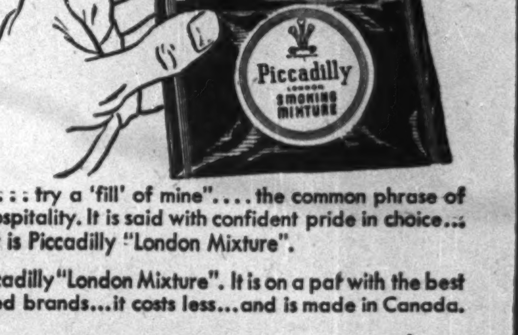

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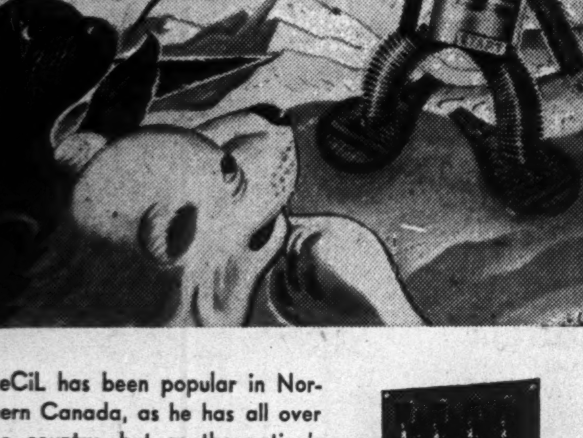

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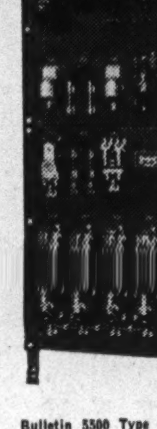

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